

7<sup>th</sup> September, 2022

To,  
The Manager,  
Department of Corporate Services,  
BSE Limited,  
P J Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.

**Security ID: MODULEX**

**Scrip Code: 504273**

**Subject: Submission of Annual Report for the financial year 2021-22**

Dear Sir/Madam,

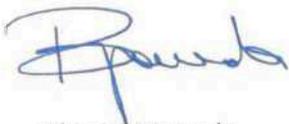
Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2021-22 along with the Notice of the 49<sup>th</sup> Annual General Meeting (AGM) of the Company to be held on Friday, 30<sup>th</sup> September, 2022 at 12.30 p.m. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

The Annual Report and the AGM Notice of 49<sup>th</sup> Annual General Meeting are also available on the website of the Company at <https://5458374.fs1.hubspotusercontent-na1.net/hubfs/5458374/MCTL%20Annual%20Report%202021-22.pdf>.

You are requested to kindly take the same on records.

Yours faithfully,

For Modulex Construction Technologies Limited



Bhoomi Mewada  
Company Secretary and Compliance Officer



**Encl: As above**

[www.modulex.in](http://www.modulex.in)

Factory: A-82, MIDC Industrial Estate, Indapur – 413 132, Maharashtra  
Modulex Construction Technologies Limited t/a Modulex  
CIN: L45100PN1973PLC182679

**BSE Security Code : 504273 BSE Security ID:MODULEX**  
Modulex is the subsidiary of Modulex Modular Buildings Plc, UK



**49<sup>th</sup>**  
**Annual General Meeting**  
**Annual Report**  
**Financial Year 2021-22**

**Modulex Construction Technologies Limited t/a Modulex**  
**CIN: L45100PN1973PLC182679**

Registered Office: A-82, MIDC Industrial Estate, Indapur – 413 132, Maharashtra

**BSE Security Code: 504273 BSE Security ID: MODULEX**

Website - [www.modulex.in](http://www.modulex.in) Email - [compliance@modulex.in](mailto:compliance@modulex.in) Contact - Tel: 02111 299061

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. Suchit Punnose**

Whole Time Director

**Mr. Ajay Palekar**

Managing Director

**Mr. Sandeep Khurana**

Independent Director

**Mr. Aditya Vikram Kanoria**

Independent Director

**Ms. Rakhee Amit Agarwal**

Independent Director

**Mr. Raj Kumar Sharma**

Additional Independent Director

### COMPANY SECRETARY

Ms. Bhoomi Mewada

### CHIEF FINANCIAL OFFICER

Mr. Mahendra Kumar Bhurat

### AUDITOR

M/s. RMJ & Associates LLP

Chartered Accountants

### REGISTERED OFFICE

A 82, MIDC Industrial Estate,  
Indapur Pune Maharashtra 413132

**Tel:** 02111 299061

**Email:** [compliance@modulex.in](mailto:compliance@modulex.in)

**Website:** [www.modulex.in](http://www.modulex.in)

**CIN:** L45100PN1973PLC182679

### REGISTRAR AND TRANSFER AGENT

**Purva Sharegistry (India) Private Limited**

Unit no. 9 Shiv Shakti Ind. Estt.

J .R. Boricha Marg, Lower Parel (E)

Mumbai 400 011

**Tel:** 91-22-2301 8261 / 6761

**Email:** [support@purvashare.com](mailto:support@purvashare.com)

**Website :** [www.purvashare.com](http://www.purvashare.com)

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The construction sector in India, which employs more than 35 million people, is the second largest employer, next only to agriculture. Therefore, any improvements in the construction sector affect a number of associated industries such as cement, steel, technology, skill-enhancement etc. In India, over 50% of the demand for construction activity comes from the infrastructure sector; the balance comes from industrial activities, residential and commercial development etc. As per the government reports, the sector is valued at over USD 126 Billion. It also accounts for more than 60% in total infrastructure investment.

In the past few years, activity in the construction sector appears to be relatively slow due to funding constraints, slow policy reforms, weak currency and the prolonged real estate market slowdown has resulted in a lot of unsold commercial & housing inventory across India. Simultaneously, severe shortage of skilled workforce as well as raw materials especially sand was acting as growth deterrents.

Going forward, India's construction industry is expected to pick up pace due to investments in residential, infrastructure and energy projects, corporate capex improvement, urbanization, a rise in disposable income and population growth. Also, Government's serious efforts to enhance infrastructure investments, increase affordable housing and improve transport and logistics support systems will support growth for construction sector.

### **OPPORTUNITIES AND THREAT**

The government plans to focus on the following five major areas for infrastructure developments – Railways, Roads, Sagarmala project (for ports and coastal development), Housing for All and Inland water ways. A pentagon of industrial corridors is being engineered to facilitate manufacturing and to project India as a global manufacturing destination. Government of India's strategic move of increasing budget allocation in defence sector is giving much required momentum to 'Make in India' initiative. We believe that all these sectors have enough potential to grow at a considerably faster pace.

The link between the economic performance of cities and the national economy gets stronger as the rate of urbanization increases. Housing and Urban Area Development are key priorities of the government. The effect of urbanization rates on housing demand is most profound in the Tier 1 cities, where a large influx of migrants is causing housing demand to surge. The socio-cultural shift towards nuclear families is also providing an additional impetus to housing demand in India.

### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The Company is setting up what Directors believe is the World's Largest and India's First Steel Modular Building Factory – Modulex. The project aims to harness the potential of an emerging, dynamic market like India, and support its growing need with a practical, profitable and proven technology solution for its construction. Modulex will bring highly advanced and sophisticated technologies from the developed half of the world and apply it to growth markets. We believe that Modulex also has the unique ability to place the investor at a vantage point, and successfully tap the pulse of the Indian market. This is an exciting time and a great opportunity for all investors looking to make an impact in the world's second fastest growing economy.

## **OUTLOOK**

Modulex is India's first and the world's largest steel modular manufacturing facility with an annual capacity of 2,00,000 sqm. The salient features of the same are mentioned below:

1. The four production lines will have annual capacity of 2,00,000 sqm operating on 8-hour shift 5 days a week for eleven months.
2. Illustrative annual output: twenty 100 rooms hotels plus a thousand residential or office buildings of 1,000 sq. ft each or accommodation for 2,000 hospital beds.
3. Set in 40-acre site in Indapur, Pune District, 250 Kms from Mumbai.
4. Land bought from Maharashtra Industrial Development Corporation, a state run developer of industrial estates with guaranteed water and electricity.
5. Expected date of commencement of commercial production is Q1 FY 2023-24

## **RISKS AND CONCERNS**

The industry in India faces challenges alongside a general situation of socio-economic stress, chronic resource shortages, institutional weaknesses etc. The industry is fragmented with a handful of major companies involved in the construction activities across all segments; medium-sized companies specializing in niche activities; and small and medium contractors who work on the sub-contract basis and carry out the work in the field.

Another problem, still being faced by some of the construction financing institutions is of stalled or delayed projects. Projects worth several billion rupees are still stalled, due to delays in project approvals, financing issues and raw material non availability etc. Further delays in restarting stalled projects have strained some of the infrastructure companies' ability to meet their debt obligations, leading to a surge in banks' gross Non-Performing Assets (NPA).

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Board of Directors is responsible for ensuring that internal financial controls have been laid down in the Company and that such controls are adequate and is functioning effectively. Company has policies, procedures, control framework and the management systems in place that map into the definition of Internal Financial Controls as detailed in the Companies Act, 2013. These have been established at the entity and process levels and are designed to ensure compliance to internal control requirements, regulatory compliances and appropriate recording of financial information. Internal financial controls that encompassed the policies processes and monitoring systems for assessing and mitigating operational, financial & compliance risks and controls over related party's transactions substantially, exists. The senior management reviews and certifies the effectiveness of the internal control mechanism over financial reporting adherence to the code of conduct and Company's policies for which they are responsible and also compliance to establish procedures relating to financial or commercial transactions.

## **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

Your Company's Present performance vis-à-vis the financial performance for the previous year as given below in tabular format.

(Rs. in lakhs)

Particulars	FY 2021-22	FY 2020-21
Total revenue including other income	27.37	0.45
Total Expenditure	105.29	74.80
Profit / (Loss) before tax	(77.92)	(74.35)
Tax Expenses	1.48	-
Profit / (Loss) after tax	(79.40)	(74.35)
EPS Weighted Average		
-Basic	(0.15)	(0.14)
-Diluted	(0.15)	(0.14)

### RISK MANAGEMENT IDENTIFICATION AND MITIGATION

Construction industry is highly risk prone, with complex and dynamic project environments creating an atmosphere of high uncertainty and risk. The industry is vulnerable to various technical, socio-political and business risks. As a diversified construction entity, your Company continues to focus on a system-based approach to business risk management. Accordingly, management of risk has always been an integral part of your Company’s strategies and includes various functions such as planning, execution, measurement systems & reporting processes. Your Company acknowledges risk as the critical function that influences the objectives of all project and processes. Following are some of the construction related risks and exposures:

1. **Financial risk** is the totality of all risks that relate to financial developments external to the project that are not in the control of the contractor or the project developer. This results from consequences that may have adverse economic effects.
2. **Political risk** is the risk that a contracting company encounters in project execution through undesirable regime acts such as change in law, payment failure by government, increase in taxes and change in government etc.
3. **Legal risks** arise through non-compliance with legal or regulatory requirements or excessive exposure to litigations & non-observance of laws such as employment law, health and safety, environmental legislation, stipulations for minimum wages etc.
4. **Sub-contractor’s Default Risks & Management** is far different and severe than the work that is self-performed. In most projects, monitoring of sub-contractor’s performance and payment is the responsibility of your Company, being the main contractor. The active management of subcontractor default risk begins with sub-contractor pre-qualification, based on financial strength, safety & quality performance etc. and continues with active monitoring of sub-contractor performance and payments.
5. **Techno-managerial risks** are the risks arising out of inadequate management of technicalities involved such as management of engineering & technology, logistics options, uncertain productivity of resources, insufficient skilled staff etc.
6. **Environment risks** relating to occurrence of environmental incidents during the pendency of the project & mitigation strategies. This risk has increased substantially due to the presence of strict legal liability in relation to such environmental incidents.

7. **Force majeure risks** are regarding the events that are outside the control of any party and cannot be reasonably prevented/avoided by them. These include natural force majeure events, direct or indirect political force majeure events.

## HUMAN RESOURCES

Our employees are the most valuable assets and we endeavour to provide our employees a professional, congenial, safe working environment coupled with opportunities for personal growth and development. Your Company has put in comprehensive system in place for identifying and addressing the competency requirement and fulfilling the same through various training programs at all the levels in the organization.

Through various Organizational Development (OD) interventions, we are enhancing the competency of our employees to work in challenging environment & empower them at work place with cultivation of culture of dedication, ethics & values. Your Company has been successful in cultivating culture of dedication, work ethics & values in the organization. Employees are provided with training on behavioral aspects, such as personality development, leadership development through self-awareness etc. to help to achieve higher level of performance.

## SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Types of ratios	2021-22	2020-21	Significant Changes
Debtors Turnover ratio	NA	NA	-
Inventory Turnover Ratio	NA	NA	-
Interest Coverage Ratio	NA	NA	-
Current Ratio	0.02	0.02	
Debt Equity Ratio	0.10	0.19	The change in the ratios is because of loan taken and increases in the net loss during the year.
Operating Profit Margin (%)	NA	NA	-
Net Profit Margin (%)	NA	NA	-

Since the Company does not have any revenue from operations and inventories, the relevant ratios pertaining to it is not worked out.

Caution: The views expressed in the Management Discussions and Analysis is based on available information, assessments and judgment of the Board. They are subject to alterations. The Company's actual performance may differ due to national or international ramifications, government regulations, policies, Tax Laws, and other unforeseen factors over which the Company may not have any control.

## BOARD’S REPORT

To,  
The Members of  
**MODULEX CONSTRUCTION TECHNOLOGIES LIMITED** (“Company”)

The Directors of the Company are pleased to present the 49<sup>th</sup> Annual Report of the Company, along with the Audited Financial Statements (Standalone & Consolidated), for the Financial Year ended 31<sup>st</sup> March, 2022.

### FINANCIAL RESULTS

(Rs. In Lakhs)

Particular	Standalone		Consolidated	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Income from Operations	NIL	NIL	NIL	NIL
Add: Other Income	27.37	0.45	30.16	23.95
Total Income	27.37	0.45	30.16	23.95
Less: Total Expenditure	105.29	74.80	835.51	671.08
Profit/ (loss) before Tax	(77.92)	(74.35)	(805.35)	(647.13)
Less: Tax expenses/ (Credit)	1.48	NIL	3.93	4.08
Profit/ (loss) after Tax	(79.40)	(74.35)	(809.28)	(651.21)

### STATE OF COMPANY’S AFFAIRS / FINANCIAL PERFORMANCE

#### Standalone

The Company’s total income for the financial year ended 31<sup>st</sup> March, 2022 has increased to Rs. 27.37 lakhs as against Rs 0.45 lakhs during the previous year, loss before tax increased to Rs. 77.92 lakhs against loss of Rs. 74.35 lakhs during previous year and the loss after tax was increased to Rs. 79.40 lakhs as compared to Rs. 74.35 lakhs in the previous year.

#### Consolidated

The Company’s gross (total) income for the financial year ended 31<sup>st</sup> March, 2022 increased to Rs. 30.16 lakhs from Rs. 23.95 lakhs during the previous year, loss before tax of the reporting year stood at Rs. 805.35 lakhs against a loss of Rs. 647.13 lakhs in the previous year. The loss after tax of the reporting year stood at Rs. 809.28 lakhs against a loss of Rs. 651.21 lakhs reported in the previous year.

#### DIVIDEND

Considering the current financial position, your management decided not to propose a dividend for the year ended 31<sup>st</sup> March, 2022.

#### TRANSFER TO RESERVES

The Company has not transferred any amount to the Reserves for the financial year ended 31<sup>st</sup> March, 2022.

#### LISTING

The equity shares of the Company are listed on The BSE Limited (BSE) and the listing fees for the year 2022-23 had been paid.

## **SHARE CAPITAL**

As on the close of the Financial Year ended 31<sup>st</sup> March, 2022, the Authorized Share Capital of the Company stood at Rs. 73,00,00,000 which comprises of 7,29,50,000 Equity Shares of Rs. 10/- each and 50,000 Cumulative Redeemable Preference Shares of Rs.10/- each. As against the same, the Paid-up Share Capital of the Company, on the said 31<sup>st</sup> March, 2022 stood at Rs. 51,30,30,400/- which comprises of 5,13,03,040 Equity Shares of Rs. 10/- each.

## **SUBSIDIARY AND JOINT VENTURE COMPANIES**

The Company has 2 subsidiaries as on 31<sup>st</sup> March, 2022.

1. Modulex Modular Buildings Private Limited
2. Redribbon Advisory Services Private Limited

The Board of Directors ('the Board') regularly reviews the affairs of the Subsidiary Companies. A statement containing the salient features of the financial statements of Subsidiary Companies pursuant to the provision of section 129 (3) of the Companies Act 2013 read with rule 8(1) of the Companies Accounts Rules, 2014, is provided in format AOC-1 to the consolidated financial statement.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of each of its subsidiaries, will be made available on our website [www.modulex.in](http://www.modulex.in) in due course of time.

## **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Company has also implemented several best governance practices. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed review of operations, performance and future outlook of the Company and its business, as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of Annual Report under the head 'Management Discussion and Analysis'.

## **INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

## **SIGNIFICANT AND MATERIAL ORDERS**

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future during the year under review.

## **PUBLIC DEPOSITS**

During the year under review, the Company has neither invited nor accepted any deposit from public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 amended from time to time.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Re-Appointment and Retirement by Rotation**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 (“Act”), Mr. Ajay Shridhar Palekar, (DIN: 02708940) is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible to offers himself for re-appointment. The Board of Directors recommends his re-appointment as Director of the Company.

### **Appointment and Remuneration of Directors**

The appointment and remuneration of Directors is governed by the Remuneration Policy of the Company which also contains the criteria for determining qualifications, positive attributes and independence of Directors.

### **Declaration by Independent Directors**

The Company has received necessary declarations from all Independent Directors pursuant to the requirement of section 149(7) of the Companies Act, 2013 that they fulfill the criteria of independence laid down in section 149(6) read with Schedule IV to Companies Act, 2013 and Regulation 16 of the SEBI (LODR) Regulations, 2015.

### **Familiarization programme**

The details of programme for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: <https://www.modulex.in/investor-relation>.

### **Remuneration of the Directors and Key Managerial Personnel**

The remuneration details of the Directors and the Key Managerial Personnel of the Company are set out in the Annual Return of the Company, which is available on the website of the Company at the link: <https://www.modulex.in/investor-relation>.

### **Key Managerial Personnel**

<b>Sr. No.</b>	<b>Name of the KMP</b>	<b>Designation</b>
1.	Mr. Suchit Punnose	Whole Time Director
2.	Mr. Ajay Palekar	Managing Director
3.	Mrs. Bhoomi Mewada	Company Secretary and Compliance Officer

### **Board Evaluation**

Pursuant to the Companies Act, 2013 a formal annual evaluation needs to be conducted by the Board of its own performance and that of its committees and individual Directors. Schedule IV to the Companies Act 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

During the year, the Board Evaluation cycle was completed by the Company which was based on the Guidance Note issued by SEBI on Board Evaluation and comprised of the evaluation of the Board as a whole, Committees of the Board and peer evaluation of the Directors. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board, improving Board effectiveness, structure, performance and effectiveness of Board Committees, Board knowledge sessions and time allocation for strategic issues, etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

As an outcome of the above exercise, it was noted that the Board as a whole was functioning as a cohesive body which is well engaged with different perspectives. The Board Members from diverse backgrounds bring about different complementarities and deliberation in the Board and Committee meetings. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committees.

### **Remuneration Policy**

In terms of the provisions of Section 178(3) of the Act, the Nomination and Remuneration Committee (NRC) is responsible for formulating the criteria for determining qualification(s), positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has on the recommendation of the NRC framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The said policy is also available on the Company's website at <https://5458374.fs1.hubspotusercontent-na1.net/hubfs/5458374/Remuneration-Policy-MCTL.pdf>

### **Compliance with Secretarial Standards**

The Company has complied with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

### **BOARD AND COMMITTEE MEETINGS**

The Board of Directors of the Company, meet at regular intervals to discuss and decide on the Company's operation, business policies or projects to be undertaken and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed at the subsequent Board Meeting.

The notice of Board Meeting(s) is given well in advance to all the Directors. In the year 2021-22, all the meetings of the Board of Directors of the Company, were held through the Video Conferencing mode, due to the Covid-19 Pandemic. Recordings of the few Meetings are not available with the Company due to technical glitches and system breakdown.

The Agenda of the Meeting is circulated a week prior to the date of the meeting. The Agenda for the Board Meeting(s) include detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decision(s).

During the financial year ended 31<sup>st</sup> March, 2022, five (5) meetings of the Board of Directors were held during the year on 18<sup>th</sup> June 2021, 13<sup>th</sup> August 2021, 12<sup>th</sup> November 2021, 11<sup>th</sup> February 2022 and 15<sup>th</sup> March 2022.

The provisions of the Companies Act, 2013, Secretarial Standard “SS-1” and the Listing Regulations were adhered thereto, while considering the time gap between two meetings.

### **Committee(s) of the board**

The Committees of the Board play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities, which concern the Company and need a closer review. The Committees of the Board are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by the Members of the Board, as part of good governance practice. The Board is informed about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of Committees are placed before the Board for their review. The Committees of the Board can request special invitees to join the meeting, as appropriate.

The Board of Directors of your Company has constituted following committees namely:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Securities Committee
- Management Committee

The details of the Committees established by the Board of Directors are set out in the Corporate Governance Report.

### **Committee for prevention of sexual harassment**

The Company currently has less than 10 employees and hence the provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are not applicable to the Company. In any event, no complaints were received as to the sexual harassment from any employee during the year under review.

### **DIRECTOR RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2021-22 and of the loss of the Company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;

- The Directors have laid down proper internal financial controls and such internal financial controls are adequate and were operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **AUDITORS**

### **Statutory Auditors**

M/s. RMJ & Associates, LLP, Chartered Accountants, Firm Registration No: W100281 were appointed as the Statutory Auditors of the Company, for a period of five (5) years, at the 46<sup>th</sup> Annual General Meeting of the Company held on 17<sup>th</sup> December, 2019. Accordingly, M/s. RMJ & Associates, LLP, Chartered Accountants, shall act as the Statutory Auditors of the Company for a term of 5 years up to the conclusion of the 50<sup>th</sup> Annual General Meeting of the Company.

There are no qualifications, reservations or adverse remarks made by the statutory auditors in their audit reports on the standalone and consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2022.

### **Internal Auditors**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the rules made thereunder, the Company had appointed M/s. V. K. Nawale & Co., Chartered Accountants, as the Internal Auditors of the Company on 18<sup>th</sup> June, 2021 to conduct the Internal Audit of the records and documents of the Company for the financial year 2021-22.

### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed Mr. Hitesh J. Gupta, Practicing Company Secretary, as the Secretarial Auditors of the Company on 18<sup>th</sup> June, 2021 to conduct the Secretarial Audit of the records and documents of the Company for the financial year 2021-22.

The Secretarial Audit Report is annexed hereto and titled as ‘**Annexure I**’ and forms an integral part of this Board’s report.

## **RELATED PARTY TRANSACTIONS**

In line with the requirements of the Act and the amendment to the Listing Regulations, your Company has a Policy on the Related Party Transactions, which is also available on the Company’s website at <https://5458374.fs1.hubspotusercontent-na1.net/hubfs/5458374/Policy-on-Related-Party-Transactions-MCTL.pdf>

The disclosure of the Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013, in Form AOC-2, is appended as an annexure to this report titled as ‘**Annexure II**’.

## **PARTICULARS OF LOAN(S), GUARANTEE(S) AND INVESTMENTS**

Details of the loans extended, guarantee(s) given or investment(s) made by your Company under Section 186 of the Companies Act, 2013, during the financial year 2021-22, are provided in the Notes to the Financial Statements. The consent of the members is required to be obtained u/s 186 of the Act, for investment in the CCD’s of Give Vinduet Windows and Doors Private Limited and it will be obtained in due course.

## **EXTRACT OF ANNUAL RETURN**

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link: <https://www.modulex.in/investor-relation>.

## **ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The requirements under Section 134(3) (m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, for disclosure in respect of conservation of energy, technology absorption, are not applicable to the Company. Having said that, the buildings that the Company is in the process of designing and which will be manufactured by its subsidiary MMBPL will be energy efficient and carbon neutral.

During the period under review, the Company had no Foreign Exchange earnings and outgo.

## **RISK MANAGEMENT**

Risk Management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns for the stakeholders. The Company's approach in addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee of the Company. Some of the risks that the Company is exposed to and the steps taken to mitigate them are detailed in the Management Discussion and Analysis Report.

## **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Pursuant to Section 177(9) of the Act, a vigil mechanism is established for the Directors and for the employees of the Company to report to the management, any instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach to the Chairman of the Audit Committee of the Company.

With reference to the above, your Company has received a whistle-blower complaint in 2021-22. The Complainant was Mr. Sandeep Khurana\*, Independent Director of the Company and then Chairman of the Audit Committee of the Company. The Complaint has been filed for conduct of the Board Meeting held for approval of Rights Issue of the Equity Shares and on relevant matters. Based on the complaint of the claimant, the said matter was raised by the Statutory Auditors to the Audit Committee and also submitted its report to the Central Government subsequent to year end in Form No. ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. Subsequent to year end, the Company has appointed an Independent third party to investigate the matter. Based on the investigation report submitted by the third party which is also approved by the Audit Committee at its meeting held on 2<sup>nd</sup> September 2022, allegation in whistle-blower complaint are baseless and as per the said investigation report the Company has been asked to take appropriate action.

As per the Whistle Blower Policy, the Report of the Investigation was placed before the Audit Committee and Board of Directors and it was taken on record.

\*Mr. Sandeep Khurana is no longer Chairman of the Audit Committee as the Board of Directors at their meeting held on 09<sup>th</sup> July, 2022 has reconstituted the Audit Committee.

The Whistle Blower Policy of the Company to this effect, is also uploaded on the website of the Company i.e. <https://5458374.fs1.hubspotusercontent-na1.net/hubfs/5458374/Whistle-Blower-Policy-MCTL.pdf>

### **PARTICULAR OF EMPLOYEES**

There were no employees, whose particulars are required to be given in the Board's Report in accordance with the provisions of Section 197 of the Act read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

There were 2 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2022.

### **CREDIT RATINGS**

The Company has not obtained credit ratings during the financial year 2021-2022.

### **MAINTENANCE OF COST RECORDS**

The provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, are not applicable and as such your Company is not required to appoint a Cost Auditor or to maintain Cost records.

### **CORPORATE SOCIAL RESPONSIBILITY**

Provisions of Section 135 of the Act, relating to the Corporate Social Responsibility are not applicable to the Company for the year under review.

### **ACKNOWLEDGEMENTS**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the shareholders, bankers, regulatory bodies and other stakeholders during the year under review.

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

Sd/-  
Suchit Punnose  
Whole Time Director  
DIN: 02184524

2<sup>nd</sup> September, 2022  
London

Sd/-  
Ajay Palekar  
Managing Director  
DIN: 02708940

2<sup>nd</sup> September, 2022  
Pune

**FORM NO. MR-3**  
**Secretarial Audit Report**  
**For the Financial year ended 31<sup>st</sup> March, 2022**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of  
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Modulex Construction Technologies Limited  
A-82, MIDC Industrial Estate,  
Indapur, Pune – 413132

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Modulex Construction Technologies Limited CIN - L45100PN1973PLC182679** (hereinafter called “The Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other Records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not Applicable to the Company during the financial year under review**);
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not Applicable to the Company during the financial year under review**);
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the financial year under review**);

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulation 1993 regarding the Act and dealing with client **(Not Applicable to the Company during the financial year under review);**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Financial year under review);**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Financial year under review);** and
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Having regard to the compliance system prevailing in the Company, I further report that on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the same.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Companies Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

During the period under review, the following observations have been noted:

- 1. Date of entry as per Secretarial Standards was not recorded within timeline for 15.03.2022 board meeting.
- 2. There has been a delay in submission of the Audited Financial Results under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter and year ended 31<sup>st</sup> March, 2022.
- 3. The consent of the Shareholders has not been taken u/s 186 of the Act, for investment in the CCD's of Give Vinduet Windows and Doors Private Limited.
- 4. The Company had received a whistle blower complaint during the period under review, further the Company had appointed Ms. Sneha Kuruvila for investigating the complaint and as per the report received, the allegations were unjustifiable and the Company has been asked to take appropriate action as per the Whistle Blower Policy.
- 5. The Company has not maintained video recordings of the certain board meetings and audit committee meetings which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013.
- 6. Nomination and Remuneration Committee meeting and Stakeholders Relationship Committee meeting have not been held during the year as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 7. For Audit Committee meeting held on 14.03.22, the Secretarial Standard requirements to be captured in Minutes relating to the time of conclusion of the meeting, date of entry and place and date of signing are not complied with.

**I further report that**

The Board of Directors of the Company is duly constituted with proper Balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable rules, laws, regulations and guidelines.

02<sup>nd</sup> September, 2022  
Mumbai

Sd/-  
Hitesh J. Gupta  
Practicing Company Secretary  
M No. A33684  
CP No.12722  
UDIN: A033684D000897019

Note: This report is to be read with my letter of even date which is annexed as ‘ANNEXURE - A’ and forms an integral part of this report.

**ANNEXURE - A**

To,  
The Members,  
Modulex Construction Technologies Limited  
A-82, MIDC Industrial Estate,  
Indapur, Pune – 413132

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.

The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-  
Hitesh J. Gupta  
Practicing Company Secretary  
M No. A33684  
CP No.12722  
UDIN: A033684D000897019

02<sup>nd</sup> September, 2022  
Mumbai

**Annexure II**  
**Related Party Transactions**  
**Form No. AOC-2**

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts /arrangements/ transactions	Duration of the contracts /arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance if any
Suchit Punnose	Loan Taken	5 years	<ul style="list-style-type: none"> <li>• Date: January 9, 2019</li> <li>• General business purpose loan</li> <li>• Interest Rate @7.37% p.a. or interest free</li> <li>• Repayment at once, including interest following expiry of the term</li> </ul>	-	NIL
Modulex Modular Buildings Private Limited	Loan Taken	5 years	<ul style="list-style-type: none"> <li>• Date: April 1, 2018</li> <li>• General business purpose loan</li> <li>• Interest Rate 9% p.a. from 1.4.2021 or interest free</li> <li>• Repayment at once, including interest following expiry of the term.</li> </ul>	-	Rs.119,67,000
Give Vinduet Windows and Doors Private Limited	Loan Taken	5 years	<ul style="list-style-type: none"> <li>• Date: February 17, 2019</li> <li>• General business purpose loan</li> <li>• Interest Rate @7.37% p.a. or interest free</li> <li>• Repayment at once, including interest following expiry of the term.</li> </ul>	-	NIL

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

Sd/-  
(Ajay Palekar)  
Managing Director  
DIN : 02708940

Sd/-  
(Suchit Punnose)  
Whole Time Director  
DIN : 02184524

Sd/-  
(Mahendra Kumar Bhurat)  
Chief Financial Officer  
PAN: AJIPB3300M

Sd/-  
(Bhoomi Mewada)  
Company Secretary  
M. NO. : A34561

2<sup>nd</sup> September, 2022

## REPORT ON CORPORATE GOVERNANCE

[Pursuant to the provisions of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's corporate governance philosophy rests on the pillars of integrity, accountability, equity, transparency and environmental responsibility that conform fully with laws, regulations and guidelines. The Company's philosophy on corporate governance is to achieve business excellence and maximizing stakeholder value through ethical business conduct. The Board continued its pursuit of achieving its objectives through the adoption and monitoring of corporate strategies and prudent business plans.

### 2. BOARD OF DIRECTORS:

The Board of Directors of the Company has an appropriate mix of Executive Directors ("ED"), Non-Executive Director ("NED"), Women Director and Independent Directors ("ID") to maintain the Board's independence, and separate its functions of governance and management. Currently, the Board comprises of two Executive and three Independent Directors out of which one is a woman Director and one Additional Independent Director.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees [Committees being, Audit Committee and Stakeholder Relationship Committee] across all the Indian Public Limited Companies in which he / she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies and do not hold the office of Director in more than twenty Companies, including ten Public Companies. All Directors except Independent Directors are liable to retire by rotation.

The required information, including information as enumerated in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('the Listing Regulations') is made available to the Board of Directors for discussions and consideration at Board Meetings. The Executive Director and the Chief Financial Officer (CFO) have certified to the Board upon, *inter alia*, the accuracy of the financial statements and adequacy of internal controls for the financial reporting, in accordance with Regulation 17(8) of the Listing Regulations, pertaining to CEO and CFO certification for the Financial Year ended 31<sup>st</sup> March, 2022.

During the year under review, Five (5) Board meetings were held, namely on 18<sup>th</sup> June 2021, 13<sup>th</sup> August 2021, 12<sup>th</sup> November 2021, 11<sup>th</sup> February 2022 and 15<sup>th</sup> March 2022. The Company has complied with the stipulation of Section 173(1) of Companies Act, 2013 ('the Act') and the Listing Regulations for conducting minimum 4 (four) meetings of Board of Directors during the year.

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The names and categories of the Directors on the Board, the number of Directorships and attendance at the Board Meeting and Annual General Meeting and the shareholding in the Company as on date of the signing of this report is as follows:

Sr. No.	Name of Director	Category of Director	No. of Directorship held in other Companies	No. of Board meetings held	No. of Board meetings attended during the year #	Attendance at last Annual General Meeting	Shareholding in the Company
1.	Mr. Ajay Palekar DIN: 02708940	Managing Director	1	5	4	Present	2,23,048 Equity Shares
2.	Mr. Suchit Punnose DIN: 02184524	Whole Time Director (Promoter)	8	5	3	Present	18,92,489 Equity Shares
3.	Mr. Aditya Vikram Kanoria DIN: 07002410	Independent Director	4	5	4	Present	Nil
4.	Mr. Sandeep Khurana DIN: 02118658	Independent Director	3	5	4	Present	1,40,104 Equity Shares
5.	Mrs. Rakhee Agarwal DIN: 08081921	Independent Director	0	5	5	Present	Nil
6.	Mr. Raj Kumar Sharma DIN: 00998552	Additional Independent Director	1	5	4	Present	1,22,011 Equity Shares

# Includes meetings attended via video conference facility.

There are no *inter-se* relationships between the Board members. In the opinion of the Board, the Independent Directors fulfill the conditions as specified in Listing Regulations and are independent of the management.

**Annual Independent Directors Meeting:** The meeting of Independent Directors was held on 14<sup>th</sup> March, 2022.

**A chart / matrix setting out the skills/expertise/competencies as identified by the Board of Directors of the Company as required in the context of Company's business(es) and sector(s) for it to function effectively and those actually available with the Board.**

<b>Skills/expertise/competence</b>	<b>Whether available with the Board or not?</b>
<b>Industry knowledge/experience (EPC Industry)</b>	
Experience	Yes
Industry knowledge	Yes
Understanding of relevant laws, rules, regulation and policy	Yes
International Experience	Yes
Contract management	Yes
<b>Technical skills/experience</b>	
Accounting and finance	Yes
Business Development	Yes
Information Technology	Yes
Talent Management	Yes
Leadership	Yes
Compliance and risk	Yes
Legal	Yes
Business Strategy	Yes
<b>Behavioral Competencies</b>	
Integrity and ethical standards	Yes
Mentoring abilities	Yes
Interpersonal relations	Yes

### 3. COMMITTEES OF THE BOARD:

The Board Committees plays a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has following Committees:

#### 3.1 Audit Committee

The Audit Committee of the Company functions in accordance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. The composition of the Audit Committee is in compliance of Regulation 18(1) of the Listing Regulations. The Audit Committee comprises of three Directors, out of which two are Independent Directors and one is Executive Director. The Members of the Audit Committee possess financial / accounting expertise / exposure. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

The minutes of each Audit Committee meeting are noted in the next meeting of the Audit Committee. During the year under review, 5 (Five) Audit Committee meetings were held on 17<sup>th</sup> June 2021, 11<sup>th</sup> August 2021, 09<sup>th</sup> November 2021, 08<sup>th</sup> February, 2022 and 14<sup>th</sup> March 2022.

The Audit Committee comprises of the following members of the Board:

Name of the Member	Category	Positions	Meeting attended
Mr. Sandeep Khurana	Independent Director	Chairman	5
Mr. Aditya Vikram Kanoria	Independent Director	Member	4
Mr. Ajay Palekar	Managing Director	Member	4

The Audit Committee of the Company was reconstituted as on 09<sup>th</sup> July, 2022. As on the date of this report the composition of the Audit Committee is as follow:

Name of the Member	Category	Positions
Mrs. Rakhee Agarwal	Independent Director	Chairman
Mr. Aditya Vikram Kanoria	Independent Director	Member
Mr. Ajay Palekar	Managing Director	Member

**Terms of Reference:**

The broad terms of reference includes the following as is mandated in Part C of Schedule II of the Listing Regulations and Section 177 of the Act:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the auditor’s independence and performance, and effectiveness of audit process.
- Examination of the financial statement and the auditors’ report thereon.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommend to the Board, the appointment, re-appointment, terms of appointment, remuneration and, if required, replacement or removal of Statutory Auditors and fixation of Audit fees.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management the annual financial statements and auditors’ report thereon before submission to the Board for approval with particular reference to the matters stated under sub clause (a) to (g) of Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
- Reviewing, with the management the quarterly financial statements before submission to the Board for approval.

- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Examination of the financial statement and the auditors' report thereon.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/or advances from/investment by holding Company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.

M/s. RMJ & Associates, LLP, Chartered Accountants, registered with the Institute of Chartered Accountants of India (ICAI Firm Registration No. W100281), the Company's Statutory Auditor, are responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

### 3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) of the Company functions in accordance with the Companies Act, 2013 and Listing Requirements, which are reviewed from time to time.

During the year under review, No meeting of Nomination and Remuneration Committee was held.

During the year under review, The Composition of Nomination and Remuneration Committee is as follows:

Composition	Category	Positions
Mr. Sandeep Khurana	Independent Director	Chairman
Mr. Aditya Vikram Kanoria	Independent Director	Member
Mrs. Rakhee Agarwal	Independent Director	Member

The Nomination and Remuneration Committee of the Company was reconstituted as on 09<sup>th</sup> July, 2022. As on the date of this report the composition of the Nomination and Remuneration Committee is as follow:

Composition	Category	Positions
Mr. Raj Kumar Sharma	Additional Independent Director	Chairman
Mr. Aditya Vikram Kanoria	Independent Director	Member
Mrs. Rakhee Agarwal	Independent Director	Member
Mr. Ajay Palekar	Managing Director	Member

#### Terms of Reference:

The broad terms of reference of the Nomination and Remuneration Committee are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Recommend to the board, all remuneration, in whatever form, payable to senior management;
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the

Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees.

### 3.2.1 Remuneration Policy

In terms of the provisions of Section 178(3) of the Act, the Nomination and Remuneration Committee (NRC) is responsible for formulating the criteria for determining qualification(s), positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has on the recommendation of the NRC framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The said policy is available on the Company's website at <https://5458374.fs1.hubspotusercontent-na1.net/hubfs/5458374/Remuneration-Policy-MCTL.pdf>

### 3.2.2 Remuneration to Directors

On account of Company having inadequate profits and since the Company is at a nascent stage, it requires funds for its operational activities and expansion. Having regard to the foregoing and to conserve the resources of the Company, the Executive Directors waived their remuneration for the year 2021-22. As such, no remuneration has been paid to Executive Directors and sitting fees Rs. 10,25,000/- has been paid to Independent & Non Executive Directors during the year under review, for the year ended 2020-21 and 2021-22. However the Company Secretary and Chief Financial officer of the Company have been paid salary of Rs. 6,05,000/- (Rupees Six Lakhs Five Thousands only), respectively for the financial year 2021-22.

There is no pecuniary relationship or transaction between the Company and any of the Non-Executive Directors. The Company does not have any stock option scheme.

### 3.3 Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company functions in accordance with the Companies Act, 2013 and Listing Requirements, which are reviewed from time to time.

The Stakeholder's Relationship Committee's composition is as follows:

Composition	Category	Positions
Mr. Aditya Vikram Kanoria	Independent Director	Chairman
Mr. Ajay Palekar	Managing Director	Member
Mr. Suchit Punnose	Whole Time Director	Member

During the year under review, no meeting of Stakeholders Relationship Committee was held.

#### Terms of Reference:

The Stakeholders Relationship Committee functions with the objective of looking into the redressal of Shareholder's/Investor's grievances. The Stakeholders Relationship Committee is primarily responsible for:

1. Review of statutory compliance relating to all security holders.
2. Consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of securities, non-receipt of annual report/declared dividends/notices/balance sheet.
3. Review of measures taken for effective exercise of voting rights by shareholders.
4. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
5. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### 3.4 Management Committee

The Board has delegated some of its powers to the Management Committee, enabling it to act directly, or to provide recommendations to be approved by the Board. The day-to-day management of the Company is vested with the Management Committee, which is subjected to the overall superintendence and control of the Board. During the year under review the Management Committee comprises as follows:

Composition	Category	Positions
Mr. Ajay Palekar	Managing Director	Chairman
Mr. Sandeep Khurana	Independent Director	Member
Mr. Suchit Punnose	Whole Time Director	Member

The Management Committee of the Company was reconstituted as on 09<sup>th</sup> July, 2022. As on the date of this report the composition of the Management Committee is as follow:

Composition	Category	Positions
Mr. Ajay Palekar	Managing Director	Chairman
Mr. Raj Kumar Sharma	Additional Independent Director	Member
Mr. Suchit Punnose	Whole Time Director	Member

The power, role and terms of reference of the Management Committee covers the areas based on the terms as defined by the Board of Directors from time to time.

### 3.5 Securities Committee

The Board has delegated its power to issue and allot securities to the Securities Committee, enabling it to avoid the delay in process of transfer of securities. The Securities Committee comprises as follows:

Composition	Category	Positions
Mr. Aditya Vikram Kanoria	Independent Director	Chairman
Mr. Ajay Palekar	Managing Director	Member
Ms. Bhoomi Mewada	Company Secretary	Member

The Securities Committee of the Company was reconstituted as on 09<sup>th</sup> July, 2022. As on the date of this report the composition of the Securities Committee is as follow:

<b>Composition</b>	<b>Category</b>	<b>Positions</b>
Mr. Aditya Vikram Kanoria	Independent Director	Chairman
Mr. Ajay Palekar	Managing Director	Member
Mr. Raj Kumar Sharma	Additional Independent Director	Member

The power, role and terms of reference of the Securities Committee covers the areas based on the terms as defined by the Board of Directors.

During the year under review, no meeting of Securities Committee was held.

#### 4 COMPLIANCE OFFICER:

Ms. Bhoomi Mewada is the Company Secretary & Compliance Officer of the Company and the designated e-mail address for investor complaints is [compliance@modulex.in](mailto:compliance@modulex.in).

During the financial year 2021-22, the Company has not received any complaints from any investor.

#### 5 GENERAL BODY MEETINGS:

##### i. Annual General Meeting:

Location and time, where last three Annual General Meetings were held is given below:

<b>Financial year</b>	<b>Time</b>	<b>Date</b>	<b>AGM</b>	<b>Location</b>
2018-2019	2.30 p.m.	17 <sup>th</sup> December, 2019	46 <sup>th</sup> AGM	Royal Connaught Boat Club, 7/8 Boat Club Road, Pune- 411001
2019-2020	4.30 p.m.	30 <sup>th</sup> September, 2020	47 <sup>th</sup> AGM	Through Video Conferencing / Other Audio-Visual Means
2020-2021	4.30 p.m.	30 <sup>th</sup> September, 2021	48 <sup>th</sup> AGM	Through Video Conferencing / Other Audio-Visual Means

##### ii. Special Resolutions:

a. Details of special resolutions passed in the Annual General Meetings during the last three financial years are as follows:

<b>Date of Annual General Meeting</b>	<b>Number of Special resolutions passed</b>	<b>Details of Special Resolutions</b>
17 <sup>th</sup> December, 2019	0	-
30 <sup>th</sup> September, 2020	0	-
30 <sup>th</sup> September, 2021	0	-

b. Details of special resolutions passed in the Extra-Ordinary General Meetings during the last three financial years are as follows:

No Extra-Ordinary General Meetings have been conducted to pass special resolution during the last three financial years.

iii. **Details of Resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern**

No resolution has been passed by postal ballot during the year under review.

**6 MEANS OF COMMUNICATION:**

- a. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the format prescribed under Regulation 33 of the Listing Regulations within the prescribed time limits. Quarterly results are submitted to the BSE in terms of the requirements of Regulation 33 of the Listing Regulations.
- b. The quarterly/half yearly and annual financial results are regularly submitted to BSE in accordance with the Listing Regulations and published in one English national daily newspaper circulating in the whole or substantially the whole of India i.e. Financial Express and one Marathi daily newspaper i.e. Navshakti or Lakshadeep.
- c. The Company’s website <https://modulex.in> contains a separate dedicated section “Investors” where shareholder information is available. Full Annual Reports are also available on the website in a user- friendly and downloadable format.
- d. The Company posts its Quarterly / Half Yearly/Annual Results, Annual Report, official news releases and transcripts of the meetings with institutional investors / analysts (if any) on its website i.e. <https://www.modulex.in/investor-relation>. This website contains the basic information about the Company, e.g., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who is responsible for assisting and handling investor grievances and such other details as may be required under Regulation 46 of the Listing Regulations. The Company ensures that the contents of this website are updated regularly.

**8 GENERAL SHAREHOLDER INFORMATION:**

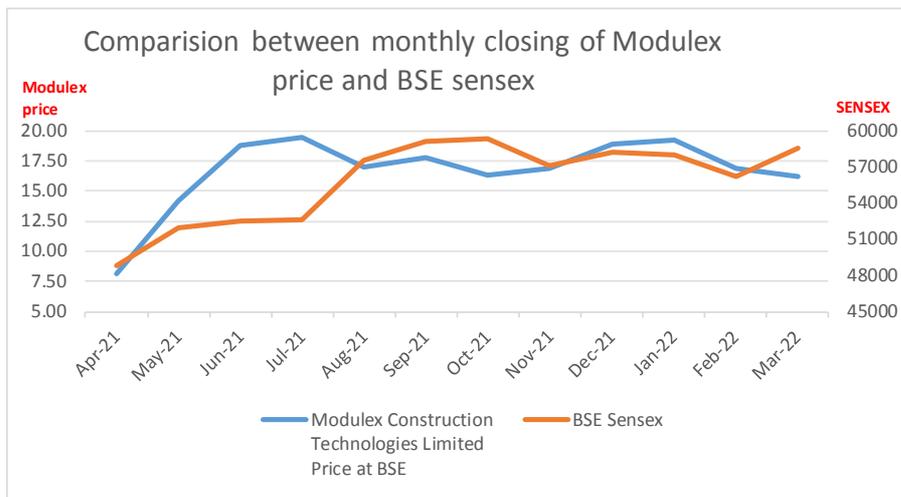
1.	Annual General Meeting	Date: 30 <sup>th</sup> September, 2022 Time: 12.30 PM IST Venue: Video Conferencing or Other Audio-Visual Means
2.	Financial Year	31 <sup>st</sup> March, 2022
3.	Dates of Book Closure	NA
4.	Dividend	In view of loss incurred for the year, no Dividend has been declared.
5.	Listing on Stock Exchanges	The Equity Shares of your Company are listed on: BSE Limited (BSE), P. J. Towers, Dalal Street, Fort, Mumbai - 400 001.
6.	Listing Fees	Fee for the year under review 2022-2023 has been paid.
7.	Stock Code	504273

8.	Registrar to issue & Share Transfer Agents	<b>Purva Sharegistry (India) Private Limited</b> Address: Unit no. 9, Shiv Shakti Industrial Estate., J .R. Boricha Marg, Lower Parel (E), Mumbai 400 011 Tel: 91-22-2301 2518 / 6761 Fax: +91-22-2301 2517 Website: <a href="http://www.purvashare.com">www.purvashare.com</a> ; email: <a href="mailto:support@purvashare.com">support@purvashare.com</a>
9.	Share Transfer System	The Board of Directors has delegated the authority to transfer the shares to M/s Purva Sharegistry (India) Private Limited, Registrar and Share Transfer Agents of the Company. The Share Transfer Agents attend to share transfer formalities, if any.
10.	Plant Location	The Company is not a manufacturing unit and thus not having any Plant.
11.	Registered Office	Ms.Bhoomi Mewada, Company Secretary A- 82,MIDC Industrial Estate Indapur, Pune 413132 E-mail.: <a href="mailto:compliance@modulex.in">compliance@modulex.in</a> , <a href="mailto:bhoomimewada@modulex.in">bhoomimewada@modulex.in</a> Website: <a href="https://www.modulex.in/investor-relation">https://www.modulex.in/investor-relation</a> ;
12.	Dematerialization of Shares and liquidity	As on 31 <sup>st</sup> March, 2022: 5,11,03,957 Equity Shares of the Company constituting 99.61% of the equity share capital are held in Dematerialized form. The Equity Shares of the Company are traded only in dematerialized form on the BSE.
13.	Cut-off date for remote e-voting:	The remote e-voting/voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on the cut-off date i.e. 23 <sup>rd</sup> September, 2022. Remote e-voting shall remain open from 27 <sup>th</sup> September, 2022 (9.00 a.m.) and end on 29 <sup>th</sup> September, 2022 (5.00 p.m.)
14.	Electronic Clearing Services (ECS)	Members are requested to update their bank account details with their respective Depository Participants for shares held in the electronic form or write to the Company’s Registrar and Share Transfer Agent, M/s. Purva Sharegistry (India) Private Limited.
15.	Investor Complaints to be addressed to	Registrar and Share Transfer Agent - M/s Purva Sharegistry (India) Private Limited at <a href="mailto:support@purvashare.com">support@purvashare.com</a> or to Ms. Bhoomi Mewada, Company Secretary at <a href="mailto:compliance@modulex.in">compliance@modulex.in</a> .
16.	Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity.	The Company has not issued any GDRs/ ADRs/ Warrants. There are no outstanding convertible instruments as on 31 <sup>st</sup> March, 2022.

**18. Market Price Data & comparison to BSE Sensex**

The price of the Company’s Share - High, Low during each month in the last financial year 2021-22 on the Stock Exchanges is given below in a tabular form:

Month	Modulex Construction Technologies Limited Price at BSE			BSE Sensex		
	High	Low	Close	High	Low	Close
Apr-21	8.80	5.33	8.18	50375.77	47204.50	48782.36
May-21	14.70	7.36	14.20	52013.22	48028.07	51937.44
Jun-21	18.79	12.80	18.79	53126.73	51450.58	52482.71
Jul-21	23.60	17.75	19.45	53290.81	51802.73	52586.84
Aug-21	21.60	16.15	16.95	57625.26	52804.08	57552.39
Sep-21	18.70	16.15	17.75	60412.32	57263.90	59126.36
Oct-21	18.25	15.85	16.35	62245.43	58551.14	59306.93
Nov-21	18.30	15.20	16.85	61036.56	56382.93	57064.87
Dec-21	18.95	15.35	18.90	59203.37	55132.68	58253.82
Jan-22	21.85	16.80	19.25	61475.15	56409.63	58014.17
Feb-22	21.00	15.55	16.85	59618.51	54383.20	56247.28
Mar-22	18.50	13.00	16.20	58890.92	52260.82	58568.51



**19. Share Transfer System:**

Applications for transfer of shares in physical form are processed by the Company’s Registrar & Transfer Agent viz. M/s. Purva Sharegistry India Private Limited. The Company has constituted Securities Committee to look after the transfer / transmission of shares, issue of duplicate shares

and allied matters. The transfers of shares in physical form as and when received are normally processed within 15 days from the date of receipt of documents complete in all respects. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective Depositories i.e. NSDL and CDSL within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 08<sup>th</sup> June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30<sup>th</sup> November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 01<sup>st</sup> April, 2019 unless the securities are held in the dematerialized form with the depositories. In view of the same, members are advised to dematerialize shares held by them in physical form.

The Company has obtained half-yearly certificate from a Practicing Company Secretary to the effect that all certificates have been issued within thirty days of the date of lodgement of the transfer, subdivision, consolidation and renewal etc. as required under Regulation 40(9) of the Listing Regulations and the same was submitted to the Stock Exchange.

## 20. Distribution of Shareholding as on 31<sup>st</sup> March, 2022

No. of Shares of Rs. 10/- each	Shareholders		Equity Shares	
	Number	% of total shareholders	In Rs.	% of total shares
Up to 5,000	4193	73.50	45,20,400	0.88
5,001 – 10,000	424	7.43	37,17,220	0.72
10,001 - 20,000	302	5.29	49,72,590	0.97
20,001 - 30,000	128	2.24	33,56,120	0.65
30,001 - 40,000	67	1.17	24,10,050	0.47
40,001 - 50,000	96	1.68	46,50,910	0.91
50,001 - 1,00,000	161	2.82	1,30,30,840	2.54
1,00,001 & Above	334	5.85	47,63,72,270	92.85
<b>TOTAL</b>	<b>5705</b>	<b>100.00</b>	<b>51,30,30,400</b>	<b>100.00</b>

## 21. Shareholding Pattern as on 31<sup>st</sup> March, 2022

The broad shareholding distribution of the Company as on 31<sup>st</sup> March, 2022 with respect to categories of investors was as follows:

Sr. No.	Category	No. of shareholders	No. of Equity Shares	Percentage %
1.	Promoter & Promoter Group	3	1,31,88,944	25.71
2.	Public	5702	3,81,14,096	74.29
	<b>Total</b>	<b>5705</b>	<b>5,13,03,040</b>	<b>100.00</b>

## 9 OTHER DISCLOSURES:

### a. Related Party Transactions

Details of the relevant related party transactions entered into by the Company are set out in the Notes to Accounts and also annexed as an Annexure in this report. Suitable disclosures as required by the Accounting Standard (AS 18) have been made in the Annual Report. All transactions with related parties entered into by the Company were on an arm's length basis and were approved by the Audit Committee.

Pursuant to Regulation 23 of the Listing Regulations, the Board of Directors has adopted the 'Related Party Transaction Policy'. The said policy is available on the Company's website at <https://5458374.fs1.hubspotusercontent-na1.net/hubfs/5458374/Policy-on-Related-Party-Transactions-MCTL.pdf>.

### b. Compliances by the Company

The Company has complied with various rules and regulations prescribed by BSE, SEBI or any other statutory authority relating to the capital markets during the last three years.

No penalties or strictures have been imposed by them on the Company during the last three years except the following:

BSE has imposed penalties/ fine of Rs.3,79,960/-on the Company for delay in submission of the Audited Financial Results under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter and year ended 31<sup>st</sup> March, 2022.

### c. Proceeds from public issues, right issues, preferential issues etc.

The Company has not raised any funds through issue of Equity Shares on preferential basis. There is no pending utilization of any of its earlier issue proceeds as on 31<sup>st</sup> March, 2022.

### d. CEO/CFO certification

The Managing Director & CFO of the Company have certified to the Board of Directors, inter-alia, the accuracy of the financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the financial year ended 31<sup>st</sup> March, 2022.

### e. Compliance with mandatory and non-mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the details of these compliances have been given in the relevant sections of this report.

### f. Reconciliation of Share Capital Audit

A Company Secretary in Practice carries out audit of Reconciliation of Share Capital on quarterly basis to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**g. Certificate from Practicing Company Secretary**

The Company has obtained a Certificate from Mr. Hitesh J. Gupta Practicing Company Secretary, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been annexed with this Report.

- h.** Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable
- i.** Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is: Rs. 28,55,500/- (Twenty Eight Lakhs Fifty Thousands Five Hundred Only)
- j. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
- a. Number of complaints filed during the Financial Year 2021-22: Nil
- b. Number of complaints disposed off during the Financial Year 2021-22: Nil
- c. Number of complaints pending as on end of the Financial Year 2021-22: Nil
- k. Details of Credit Ratings obtained by the Company:** Not Applicable
- l. Commodity price risk or foreign exchange risk and hedging activities :** Not Applicable
- m. Trading of Securities:** The securities of the Company were not suspended from trading during the Financial Year 2021-22.
- n. Disclosure of accounting treatment:** In the preparation of financial statements, the Company has followed the Indian Accounting Standards (Ind AS) as specified under Section 133 of the Act, issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.
- o. Disclosure with respect to demat suspense account / unclaimed suspense account :** Not Applicable
- p. Compliance Certificate by Auditors:** The Company has obtained a certificate from its Secretarial Auditor regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations, which is appended herewith and forms part of the Annual Report.
- q. Prevention of Insider Trading:** The Company has instituted a mechanism to avoid Insider Trading. In accordance with the SEBI (Prevention of Insider Trading) Regulations, 2015 as amended, the Company has established systems and procedures to restrict insider trading activity and has framed a Code of Fair Disclosure and Conduct to prevent misuse of any unpublished price sensitive information and prohibit any insider trading activity, in order to protect the interest of the shareholders at large. The said Code of Fair Disclosure and Conduct is available on the Company's website i.e. <https://www.modulex.in/investor-relation>.

- r. **Green Initiative** : All members are requested to support Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses to receive all these documents electronically from the Company in accordance with Rule 18 of the Companies (Management & Administration) Rules 2014 and Rule 11 of the Companies (Accounts) Rules 2014. All the aforesaid documents have been uploaded on and are available for download from the Company’s website <https://www.modulex.in>.

**10 COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS:**

**Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of Listing Regulations are as under:**

Sr. No.	Particulars	Regulations	Brief Description of the Regulations	Compliance Status (Yes / No / N.A.)
1	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation to the Non-Executive Directors	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Minimization and Risk Management Plan	Yes
		17(10)	Performance Evaluation of Independent Directors	Yes
2	Audit Committee	18(1)	Composition of Audit Committee & presence of the Chairman of the Committee at the AGM	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and review of information by the Committee	Yes
3	Nomination & Remuneration Committee	19(1) & (2)	Composition of Nomination & Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the AGM	Yes
		19(4)	Role of the Committee	Yes

<b>Sr. No.</b>	<b>Particulars</b>	<b>Regulations</b>	<b>Brief Description of the Regulations</b>	<b>Compliance Status (Yes / No / N.A.)</b>
4	Stakeholders Relationship Committee	20(1), (2) & (3)	Composition of Stakeholders Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee	N.A.
		21(4)	Role of the Committee	N.A.
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employees	Yes
7	Related Party Transactions	23(1),(5),(6), (7) & (8)	Policy for Related Party Transaction	Yes
		23(2) & (3)	Approval including omnibus approval of Audit Committee for all related party transactions and review of transactions by the Committee	Yes
		23(4)	Approval for material related party transactions	N.A.
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of unlisted material subsidiary	Yes
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to subsidiary including material subsidiary of listed entity	Yes
		24A	Secretarial Audit of the Company Secretarial Audit of the material unlisted subsidiaries	Yes Yes
9	Obligations with respect to Independent Directors	25(1) & (2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(6)	Filling the vacancy of Independent Director created by resignation or removal	N.A
		25(7)	Familiarization of Independent Directors	Yes
		25(10)	D and O insurance for Independent Directors	No

Sr. No.	Particulars	Regulations	Brief Description of the Regulations	Compliance Status (Yes / No / N.A.)
10	Obligations with respect to Directors and Senior Management	26(1) & (2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct by members of Board of Directors and senior management personnel	Yes
		26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
		26(5)	Disclosures by senior management about potential conflict of interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of discretionary requirements	Yes
		27(2)	Filing of quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various Committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism/ Whistle Blower Policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive directors	Yes
		46(2)(g)	Policy on dealing with related party transactions	Yes
		46(2)(h)	Policy for determining 'Material' Subsidiaries	Yes
		46(2)(i)	Details of familiarization programme imparted to Independent Directors	Yes

## 11 CODE OF CONDUCT:

The Company has laid down a Code of Conduct for all its Board Members and Senior Management Personnel for avoidance of conflicts of interest and ensuring the highest standard of honesty, dedication and professionalism in carrying out their functional responsibilities. The Code of Conduct is in compliance with the requirements of Listing Regulations. The Code of Conduct is available

on the Company's website at <https://5458374.fs1.hubspotusercontent-na1.net/hubfs/5458374/Code-of-Conduct-Directors-and-KMP-MCTL.pdf>. The Code has been circulated to all the members of the Board and the Senior Management. The Directors and the Senior Management have affirmed compliance of the Code.

The Annual Report of the Company contains a declaration to this effect duly signed by the Managing Director of the Company.

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

Sd/-  
Suchit Punnose  
Whole Time Director  
DIN: 02184524

2<sup>nd</sup> September, 2022  
London

Sd/-  
Ajay Palekar  
Managing Director  
DIN: 02708940

2<sup>nd</sup> September, 2022  
Pune

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**DECLARATION IN RESPECT OF CODE OF CONDUCT**

In accordance with the Listing Regulations, I hereby confirm and declare that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them for the financial year ended 31<sup>st</sup> March, 2022.

Pune  
2<sup>nd</sup> September, 2022

Sd/-  
Ajay Palekar  
Managing Director  
02708940

## **Certificate of Non-Disqualification of Directors**

[Pursuant to Schedule V Para C clause 10 of the SEBI (LODR), 2015]

I have examined declarations received from the Directors of Modulex Construction Technologies Limited (“Company”) (CIN: L45100PN1973PLC182679) and other relevant registers, records, forms, returns filed by the Company.

In my opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other statutory authority for the financial year ending as on 31<sup>st</sup> March, 2022.

Sd/-  
Hitesh J. Gupta  
Practicing Company Secretary  
M No. A33684  
CP No.12722  
UDIN: A033684D000896931

2<sup>nd</sup> September, 2022  
Mumbai

**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Modulex Construction Technologies Limited**

I have examined the compliance of the conditions of Corporate Governance by Modulex Construction Technologies Limited ('the Company') for the year ended 31<sup>st</sup> March 2022, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended 31<sup>st</sup> March 2022.

I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-  
Hitesh J. Gupta  
Partner  
ACS No.: A33684  
C P No.: 12722  
UDIN: A033684D000896997

Mumbai  
2<sup>nd</sup> September, 2022

**MD – CFO CERTIFICATE**

To,  
The Board of Directors  
Modulex Construction Technologies Limited

**Subject: Certificate on financial statements for the financial year ended 31<sup>st</sup> March, 2022 pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir(s),

We, Ajay Palekar, Managing Director and Mahendra Kumar Bhurat, CFO, have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief, we hereby certify that:

- a. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
- b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- c. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct;
- d. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies;
- e. We have indicated to the Auditors and Audit Committee that:
  - i. There are no significant changes in internal control over financial reporting during the year;
  - ii. There are no significant changes in accounting policies during the year; and
  - iii. There are no instances of significant fraud of which we are aware and which involve management or any employees, having significant role in the Company's internal control system over financial reporting.

Yours Faithfully,

For **Modulex Construction Technologies Limited**

Sd/-  
Ajay Palekar  
Managing Director  
Pune

Sd/-  
Mahendra Kumar Bhurat  
Chief Financial Officer  
Mumbai

2<sup>nd</sup> September, 2022

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Modulex Construction Technologies Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of **Modulex Construction Technologies Limited (“the Company”)**, which comprise the Standalone Balance Sheet as at March 31, 2022, Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of change in Equity and Standalone Statement of Cash Flow for the year then ended and Notes to Standalone Financial Statements and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022; and its loss (including other comprehensive income), its Standalone cash flows and the Standalone statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We have conducted the audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of the report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

- 1) As stated in note 39 of standalone financial statements, the Company has received whistleblower complaint with respect conducting the board meeting for approval of proposed rights issues of equity shares of the Company. Based on the complaint of the claimant, the said matter was raised by the statutory auditor to the audit committee and also submitted its report to the central government subsequent to year end in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. Subsequent to year end, the Company has appointed an independent third party to investigate the matter. Based on the investigation report submitted by the third party which is also approved by the audit committee in meeting dated 2nd September 2022, allegation in whistleblower complaint are baseless and we have relied on the said investigation report.
- 2) As stated in note 6.1 of financial statements, in the current year, the Company has purchased Compulsory Convertible Debentures of Give Vinduet Doors and Windows Private Limited for aggregating consideration of Rs 60 lakhs. The same has been approved by the board of directors of the Company, however, the shareholder's approval for the same is not obtained as per requirement of Section 186 of the Act. We are informed by the management that the Company will regularize the said transaction by taking approval of the shareholders in next meeting.

- 3) Reference is invited to Note 40 of Standalone Financial Statements which states that in the opinion of the management, the Company is not required to obtain registration as Non-Banking Financial Company (NBFC) as it is neither carrying on any financial activities and nor proposing to carrying on financial activities as principal business in future and revenue of the Company is affected mainly due to delay in implementing the project by the subsidiary company. However, the Company is taking necessary steps to generate revenue from non-financial assets. This opinion is also confirmed by the consultant of the Company and we have relied on the same. Our opinion is not modified in respect of this matter.
- 4) As stated in Note 42 of the Standalone financial statements, the Company has not maintained video recordings of the certain board meetings and audit committee meetings which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013. We are informed by the management that it is due to technical glitches. However, signed physical board minutes and audit committee minutes of meeting has been maintained by the Company and we have relied on the same for our audit.

Our opinion is not modified in respect of above matters.

### Key Audit Matters

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

Key Audit Matter	Auditor’s Response
<p>Investments in subsidiary (Modulex Modular Buildings Private Limited) having aggregate cost of Rs. 33,559.71 lakhs</p> <p>Management assesses whether there are indications of impairment and determines the recoverable amounts of the investments in subsidiary recognized as on the balance sheet.</p>	<p>Principal Audit Procedures</p> <p>Our audit approach consisted of following audit procedures:</p> <ul style="list-style-type: none"> <li>• Inquiry from management</li> <li>• Obtain valuation report and relying on the appropriateness of the valuation report provided by the management for the fair value of shares of the company.</li> <li>• Obtain and verified the evidence of investments of the Company.</li> </ul>
<p>Investments in Compulsory Convertible Debentures (CCD’s) amounting to Rs 60.00 lakhs (excluding fair value adjustments under Ind AS)</p> <p>During the year, the Company has made investment in 15% Compulsory Convertible Debentures. Management assesses whether there are indications of impairment and determines the recoverable amounts of the investments including the recording of the said amount.</p>	<p>Principal Audit Procedures</p> <p>Our audit approach consisted of following audit procedures:</p> <ul style="list-style-type: none"> <li>• Inquiry from management</li> <li>• Obtaining valuation report and relying on the appropriateness of the valuation report provided by the management for the fair value of CCD’s.</li> <li>• Obtain and verified evidence of investments. Also refer point 2 of paragraph “Emphasis of Matters” in audit report.</li> </ul>

### **Information Other than the Standalone Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the Director’s Report, but does not include the Standalone Financial Statements and our auditor’s report thereon. The Director’s report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director’s Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibility of Management for Standalone Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended applicable there to. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

### **Auditor’s Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

Further, as part of an audit in accordance with standards on auditing, the auditor exercises professional judgment and maintains professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Standalone Balance Sheet, Standalone Statement of Profit and Loss (including Other Comprehensive income), Standalone Cash Flow statement and Standalone Statement of Change in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended applicable there to.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have pending litigations that affect its financial position in its Standalone Financial Statements except for the matter described in note 39 of standalone financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv.
      - a. The management has represented that to the best of its knowledge and belief, as disclosed in note 37(v) of standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or

- any other sources or kind of funds) by the Company to or in any other persons or entities including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The management has represented that to the best of its knowledge and belief, other than as disclosed in the Note 36 & 37(vi) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
  - v. The Company has not declared or paid dividend during the year and hence, our reporting with respect to compliance with section 123 of the Act does not arises.

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

**Rakesh Upadhyaya**  
**Partner**  
Membership No. 046271  
**UDIN No.: 22046271AQZMXD9845**

Place: Mumbai  
Date: 5<sup>th</sup> September 2022

## Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 of the Report on Other Legal and Regulatory Requirements of even date to the members of **Modulex Construction Technologies Limited** ('the Company') for the year ended on **March 31, 2022**. We report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The Company does not have intangibles assets and hence provisions of clause 3(i)(a)(B) is not applicable to the Company.
- (b) The Property, plant and equipment have been physically verified by the management at the end of the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable considering the size of the Company and nature of its business.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold immovable properties. Accordingly, the provision of clause 3 (i) (e) of the order is not applicable to the Company.
- (d) During the year, the Company has not revalued any of its Property, Plant and Equipment. Accordingly, the provision of clause 3 (i) (d) of the order are not applicable to the Company.
- (e) According to information and explanation provided to us, the Company is not holding any Benami property under the Benami Transactions (Prohibition Act), 1988 (45 of 1988) and rules made thereunder. Accordingly, the provision of clause 3 (i) (e) of the order is not applicable to the Company.
- (ii) (a) According to information and explanation given to us, the Company does not have any inventories during the year or as at 31st March 2022 and accordingly, the provision of clause 3(ii)(a) is not applicable to the Company.
- (b) As informed to us, the Company has not been sanctioned working capital limits in excess of Rs five crores in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and accordingly, provision of clause 3 (ii) (b) of the order is not applicable to the Company.
- (iii) (a) In our opinion and according to the information and explanations given to us, during the year the Company has made investment in the private limited Company. The Company has not given any loan, advances in nature of loans, given guarantees and securities to firms, Limited liability partnerships or any other parties. Accordingly, provision of clause 3 (iii) (a) A, 3 (iii) (a) B and 3(iii)(c) to (f) of the order are not applicable to the Company.
- (b) The investment made by the Company, in 15% Compulsory Convertible Debenture of Give Vinduet Windows & Doors Private Limited (the Company in which Directors are interested), are purchase based on the fair value of investments arrived by independent valuer. Considering the same, investments made by the Company is not considered as prejudicial to the interest

of the Company. However, as mentioned in note 6.1 of the standalone financial statements, approval of shareholders are not obtained for purchase of this investments.

- (iv) According to the information and explanations given to us, the Company has not given any loan, guarantees, advances, in nature of loan and security during the year. Hence, compliance with section 185 and 186 of the Act is not required. As stated in note 6.1 of standalone financial statements, shareholders' approval is not obtained in the current year in respect of investments in Compulsory Convertible Debentures of Give Vinduet Windows & Doors Private Limited aggregating to Rs. 60 lakhs (excluding fair value adjustment under Ind AS) as per requirement of Section 186 of the Companies Act 2013.
- (v) In our opinion and according to the explanations given to us, the Company has not accepted any deposits. Therefore, question of reporting compliance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder does not arise. We are informed that no order relating to the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) As informed to us, the Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act for any of the products of the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, amounts deducted / accrued in the books of account, the Company is regular in respect of undisputed statutory dues including Provident fund, Employees state insurance, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax, cess and any other statutory dues with the appropriate authorities except there are delays in payment of tax deducted at sources and Goods and service tax. There were no undisputed statutory dues outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable except in respect of i) Tax Deducted at Source (Income tax)(including interest thereon) of Rs.10.33 lakhs pertaining from January 2019 to September 2021 and ii) Goods and service tax of Rs 0.24 lakhs (including interest thereon) pertaining from April 2021 to September 2021.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues as referred in para (a) above which have not been deposited on account of any dispute.
- (viii) According to information and explanation given to us, there were no transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provision of clause 3 (viii) of the order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us,(a) in respect of terms loan obtained by the Company, there is no default in repayment of principal and payment of interest thereon considering that loan (including

interest there on) is not due in the current year and (b) in respect of demand loan obtained by the Company, there is no default in repayment of principal and payment of interest thereon considering that the Company has not received demand for repayment loan and payment of interest there on in the current year.

- (b) As informed to us, the Company has not declared willful defaulter by any bank or financial institution or other lender. Accordingly, the provisions of clause 3(ix)(b) of the order is not applicable to the Company.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not obtained the term loans during the year. Accordingly, the provisions of clause 3(ix)(c) of the order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the Company has used funds raised on short term basis (Current borrowings) aggregating to Rs. 405.33 lakhs for long-term purposes (long term Investment and liabilities).
- (e) On overall examination of the Standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) On overall examination of the Standalone financial statements of the Company, it has not raised any loans during the year on the pledge of securities held in its subsidiary. Accordingly, the provisions of clause 3(ix)(f) of the order is not applicable to the Company
- (x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management read with Note 39 of standalone financial statements which states that the Company has received whistle blower complaint with respect conducting the board meeting for approval of proposed rights issues of equity shares of the Company. Based on the complaint of the claimant, the said matter was raised by the statutory auditor to the audit committee and also submitted its report to the central government subsequent to year end in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. Subsequent to year end, the Company has appointed an independent third party to investigate the matter. Based on the investigation report submitted by the third party which is also approved by the audit committee

in meeting dated 2<sup>nd</sup> September 2022, allegation in whistle blower complaint are baseless and we have relied on the said investigation report.

- (b) Subsequent to year end, we have filed the report under section 143(12) of the Act in the Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditor) Rules with the Central Government in respect of matter as stated in note 39 of standalone financial statements.
  - (c) As per information and explanation given to us, we have taken into consideration the one whistleblower complaint received by the company during the year while determining the nature, timing and extent of audit procedures which is stated in Note 39 of standalone financial statements.
- (xii) The Company is not a Nidhi Company. Hence, provision of clause 3(xii)(a) to (c) of the order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian accounting standards.
- (xiv) (a) In our opinion and according to explanation given to us, the Company has an adequate internal audit commensurate with size and the nature of business.
- (b) We have considered, the internal audit reports for the year under audit and issued to Company during the year.
- (xv) According to the information and explanations given to us and the records of the Company examined by us, the company has not entered into any non-cash transactions covered under section 192 of the Companies Act, 2013 with directors or persons connected with him and hence, clause 3(xv) of the order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us and in the opinion of the management and as advised by the consultant of the Company (refer note 40 of standalone financial statements), the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (also refer paragraph of Emphasis of Matter of our independent auditor report).
- (b) According to the information and explanations given to us, there is no core investment company within the group (as defined the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, the provisions of clause 3(xvi)(d) of the order is not applicable to the Company.
- (xvii) In our opinion and based on the overall examination of Standalone Financial Statements, the Company has incurred cash losses of Rs. 99.93 lakhs in the current year and Rs. 74.21 lakhs in the immediately preceding previous financial year.
- (xviii) There is no resignation of the statutory auditor during the year and hence, reporting under clause 3(xviii) of the order is not applicable.

- (xix) According to information and explanation given to us and on the basis of the financial ratio, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements, our knowledge of the Board of Director and management plans and based on our examination of the evidence supporting the assumption, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the independent auditor's report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) As informed to us, the Company is not required to comply with the Section 135 of Act as it is not fulfilling the criteria mentioned under the said section and hence, reporting under clause (XX)(a) & (b) is not applicable to the Company.

**For RMJ & Associates LLP**

**Chartered Accountants**

Firm Registration No: W100281

**Rakesh Upadhyaya**

**Partner**

Membership No. 046271

**UDIN No.: 22046271AQZMXD9845**

Place: Mumbai

Date: 5<sup>th</sup> September 2022

## **Annexure B to the Independent Auditor’s report**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Modulex Construction Technologies Limited** (‘the Company’) as of **31 March 2022** in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Emphasis of Matters**

- 1) As stated in point 1 of Emphasis of paragraph in the audit report, the Company has received whistleblower complaint with respect conducting the board meeting for approval of proposed rights issues of equity shares of the Company. Based on the complaint of the claimant, the said matter was raised by the statutory auditor to the audit committee and also submitted its report to the central government subsequent to year end in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. Based on the investigation report submitted by the third party which is also approved by the audit committee in meeting dated 2nd September 2022, allegation in whistleblower complaint are baseless and we have relied on the said investigation report.
- 2) As stated in point 2 of Emphasis of paragraph in the audit report, in the current year, the Company has purchased Compulsory Convertible Debentures of Give Vinduet Doors and Windows Private Limited for aggregating consideration of Rs 60 lakhs. The same has been approved by the board of directors of the Company, however, the shareholder's approval for the same is not obtained as per requirement of Section 186 of the Act. We are informed by the management that the Company will regularize the said transaction by taking approval of the shareholders in next meeting.
- 3) As stated in point 4 of Emphasis of paragraph in the audit report, non-maintaining of video recordings of the certain board minutes which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013. We are informed by the management that it is due to technical glitches. However, signed physical board minutes of meeting has been maintained by the Company and we have relied on the same for our audit.

Our opinion is not modified in respect of above matters.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**Other Matters**

The Company has appointed chartered accountant for testing of control / process with respect to internal financial control over financial reporting which has expressed unmodified opinion.

**For RMJ & Associates LLP**

**Chartered Accountants**

Firm Registration No: W100281

**Rakesh Upadhyaya**

**Partner**

Membership No. 046271

**UDIN No.: 22046271AQZMXD9845**

Place: Mumbai

Date: 5<sup>th</sup> September 2022

**Modulux Construction Technologies Limited**  
(CIN: L45100PN1973PLC182679)  
**STANDALONE BALANCE SHEET AS ON 31ST MARCH 2022**

(Amount (Rs) in Lakhs)

Particulars	Note No	As at 31st March 2022	As at 31st March 2021
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	5	0.03	0.08
<u>Financial assets:</u>			
Investments	6	33,634.89	33,559.71
Deferred tax assets (net)	32	-	-
Other non-current assets	7	26.04	19.46
		<b>33,660.96</b>	<b>33,579.25</b>
<b>Current assets</b>			
<u>Financial assets:</u>			
Cash and cash equivalents	8	0.73	0.60
Bank balances other than cash & cash equivalents	9	5.00	5.00
Other financial assets	10	4.12	0.08
Other current assets	11	0.48	-
		<b>10.32</b>	<b>5.68</b>
<b>TOTAL</b>		<b>33,671.28</b>	<b>33,584.93</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	12	5,130.30	5,130.30
Other Equity	13	28,062.46	28,141.86
		<b>33,192.76</b>	<b>33,272.17</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<u>Financial liabilities</u>			
Borrowings	14	60.55	60.55
Other non current financial liabilities	15	2.32	1.26
		<b>62.87</b>	<b>61.81</b>
<b>Current Liabilities</b>			
<u>Financial liabilities</u>			
Borrowings	16	299.81	180.14
Trade payables	17		
Payable to micro enterprises and small enterprises		5.50	7.21
Payable to others		21.16	16.58
Other current financial liabilities	18	69.47	37.15
Other current liabilities	19	19.71	9.88
		<b>415.65</b>	<b>250.96</b>
<b>TOTAL</b>		<b>33,671.28</b>	<b>33,584.93</b>
Significant Accounting Policies and the accompanying notes form an integral part of the Standalone financial statements	1 to 44		

As per our report of even date attached

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

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

**Place: Mumbai**  
**Date : 05<sup>th</sup> September, 2022**

**For and on behalf of the Board of**  
**Modulux Construction Technologies Limited**  
(CIN :L45100PN1973PLC182679)

**Suchit Punnose**  
Director  
(DIN 02184524)

**Mahendra Kumar Bhurat**  
Chief Financial Officer  
(PAN AJIPB3300M)  
**Date : 02<sup>nd</sup> September, 2022**

**Ajay Palekar**  
Managing Director  
(DIN 02708940)

**Bhoomi Mewada**  
Company Secretary  
(M.No. A34561)

**Modulex Construction Technologies Limited**  
(CIN: L45100PN1973PLC182679)

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022**  
(Amount (Rs) in Lakhs)

Particulars	Notes	Year ended	Year ended
		31st March 2022	31st March 2021
<b>INCOME</b>			
Revenue from operations	20	-	-
Other income	21	27.37	0.45
<b>Total income</b>		<b>27.37</b>	<b>0.45</b>
<b>EXPENSES</b>			
Employee benefits expense	22	12.10	12.00
Finance costs	23	40.40	34.24
Depreciation	24	0.05	0.14
Other expenses	25	52.74	28.42
<b>Total expenses</b>		<b>105.29</b>	<b>74.80</b>
<b>(Loss) before tax</b>		<b>(77.92)</b>	<b>(74.35)</b>
<b>Less : Tax expenses</b>			
- Current tax		-	-
- Deferred tax	32	-	-
- Short / (Excess) of tax provision pertaining to earlier years		1.48	-
<b>Total tax expense</b>		<b>1.48</b>	<b>-</b>
<b>(loss) after tax for the year</b>		<b>(79.40)</b>	<b>(74.35)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
<b>Total comprehensive income for the year</b>		<b>(79.40)</b>	<b>(74.35)</b>
<b>Earnings per equity share (Nominal value of share Rs.10 (Previous year: Rs 10 each))</b>	26		
Basic		(0.15)	(0.14)
Diluted		(0.15)	(0.14)
Significant Accounting Policies and the accompanying notes form an integral part of the Standalone financial statements	1 to 44		

As per our report of even date attached

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

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

**Place: Mumbai**  
**Date : 05<sup>th</sup> September, 2022**

**For and on behalf of the Board of**  
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Company Secretary  
(M.No. A34561)

**Modulex Construction Technologies Limited**  
(CIN: L45100PN1973PLC182679)  
**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2022**  
(Amount (Rs) in Lakhs)

Particulars	Year ended		Year ended	
	31st March 2022		31st March 2021	
<b>A. Cash Flow From Operating Activities</b>				
(loss) before Tax		(77.92)		(74.35)
<b>Adjustment for:</b>				
Interest income on deposit, investment and Income tax refund	(6.79)		(0.45)	
Depreciation	0.05		0.14	
Gain on financial instruments at fair value through profit and loss	(15.18)		-	
Liabilities no longer required written back	(5.40)		-	
Finance Cost	40.40		34.24	
		<b>13.08</b>		<b>33.93</b>
<b>Operating Profit before Working Capital Charges</b>		<b>(64.84)</b>		<b>(40.42)</b>
<b>Adjustment for:</b>				
(Increase) / Decrease in current and non current assets	0.01		(3.72)	
Increase / (Decrease) in current and non current liabilities	2.57		(17.26)	
		<b>2.57</b>		<b>(20.98)</b>
Cash generated from Operations		<b>(62.27)</b>		<b>(61.40)</b>
Income taxes paid ( net of refund)		(0.00)		-
<b>Net Cash Flow (used in) operating activity</b>		<b>(62.26)</b>		<b>(61.40)</b>
<b>B. Cash Flow From Investing Activities</b>				
Interest Received on Fixed Deposit	0.45		0.45	
Interest Received on Compulsory Convertible Debenture	2.30		-	
Investment in 15% Compulsory Convertible Debenture	(60.00)		-	
		<b>(57.25)</b>		<b>0.45</b>
<b>Net Cash (used in) / generated from investing activities</b>		<b>(57.25)</b>		<b>0.45</b>
<b>C. Cash Flow From Financing Activities</b>				
Proceeds from unsecured borrowings	119.67		60.89	
Interest Paid	(0.03)		-	
		<b>119.64</b>		<b>60.89</b>
<b>Net cash flow generated from financing activities</b>		<b>119.64</b>		<b>60.89</b>
<b>Net Increase/ (Decrease) in cash and other equivalents (A+B+C)</b>		<b>0.13</b>		<b>(0.06)</b>
<b>Cash and cash equivalents</b>				
<b>Opening Balance</b>		<b>0.60</b>		<b>0.67</b>
<b>Closing Balance</b>		<b>0.73</b>		<b>0.60</b>
<b>Net Increase/ (Decrease) in cash and other equivalents</b>		<b>0.13</b>		<b>(0.06)</b>

**Notes:**

- Cash flow statement has been prepared under the indirect method as set out in IND AS 7: "Statement of Cash Flows" notified under section 133 of the Act.
- Figures in the brackets indicates Cash Outflow.
- Previous years figures have been regrouped / reclassified wherever applicable.
- Refer note 38 for Changes in financing liabilities

As per our report of even date attached

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

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

Place: Mumbai  
Date : 05<sup>th</sup> September, 2022

**For and on behalf of the Board of**  
**Modulex Construction Technologies Limited**  
(CIN :L45100PN1973PLC182679)

**Suchit Punnose**  
Director  
(DIN 02184524)

**Mahendra Kumar Bhurat**  
Chief Financial Officer  
(PAN AJIPB3300M)  
Date : 02<sup>nd</sup> September, 2022

**Ajay Palekar**  
Managing Director  
(DIN 02708940)

**Bhoomi Mewada**  
Company Secretary  
(M.No. A34561)

**Modulex Construction Technologies Limited**  
(CIN: L45100PN1973PLC182679)

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022**

**(a) Equity Share Capital**

(Amount (Rs) in Lakhs)

Particulars	Number of Shares	Amount (in Rs)
<b>As at 1st April, 2020</b>	<b>5,13,03,040</b>	<b>5130.30</b>
Add : Issue of equity share capital	-	-
<b>As at 31st March, 2021</b>	<b>5,13,03,040</b>	<b>5130.30</b>
Add : Issue of equity share capital	-	-
<b>As at 31st March, 2022</b>	<b>5,13,03,040</b>	<b>5130.30</b>

**(b) Other Equity**

Particulars	Reserves & Surplus				Other Reserves	Total
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings	Transaction Cost on the Equity Instruments	
<b>As at 1st April, 2020</b>	97.45	(85.42)	28501.81	(178.58)	(119.05)	28216.21
Add: Total (loss) for the year	-	-	-	(74.35)	-	(74.35)
Add: Other comprehensive income for the year	-	-	-	-	-	-
<b>As at 31st March 2021</b>	97.45	(85.42)	28501.81	(252.93)	(119.05)	28141.86
<b>As at 1st April 2021</b>	97.45	(85.42)	28501.81	(252.93)	(119.05)	28141.86
Add: Total (loss) for the year	-	-	-	(79.40)	-	(79.40)
Add: Other comprehensive income for the year	-	-	-	-	-	-
<b>As at 31st March 2022</b>	97.45	(85.42)	28501.81	(332.34)	(119.05)	28062.46

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

**For and on behalf of the Board of**  
**Modulex Construction Technologies Limited**  
**(CIN :L45100PN1973PLC182679)**

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

**Suchit Punnose**  
Director  
(DIN 02184524)

**Ajay Palekar**  
Managing Director  
(DIN 02708940)

**Mahendra Kumar Bhurat**  
Chief Financial Officer  
(PAN AJIPB3300M)

**Bhoomi Mewada**  
Company Secretary  
(M.No. A34561)

**Place: Mumbai**  
**Date : 05<sup>th</sup> September, 2022**

**Date : 02<sup>nd</sup> September, 2022**

## Notes to Financial Statements

### 1. Corporate information

Modulex Construction Technologies Limited (“the Company”) is a Company registered under the Companies Act, 1956. The Company was incorporated on 24<sup>th</sup> May, 1973 with CIN of the Company is L45100PN1973PLC182679. It was originally incorporated with the name, “Tumus Electric Corporation Limited”. Its name has changed to, “Modulex Construction Technologies Limited” with effect from 14<sup>th</sup> December, 2018. The Company is primarily engaged in production, building, supplying, fabricating and manufacture of modular steel buildings and currently Company is implementing its project at Pune through its Subsidiary.

The Board of Directors approved the standalone financial statements for the year ended March 31, 2022 on 02<sup>nd</sup> September, 2022.

### 2. Basis of preparation and presentation of Standalone Financial Statements

#### 2.1 Statement of Compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. Further, these standalone financial statements have been presented as per requirements of Division II of Schedule III to the Act, (Ind AS compliant Schedule III), as amended from time to time.

#### 2.2 Basis of Measurement

These standalone financial statements have been prepared on the historical cost basis except for certain assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

#### 2.3 Use of significant accounting estimates, judgements & assumptions and key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company evaluates its assumptions and estimates on parameters available when the Standalone financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### a) Fair Value measurements of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Changes in judgements and assumptions could affect the reported fair value of financial instruments.

**b) Contingencies**

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**c) Recognition of deferred tax asset**

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. Currently, the Company has not recognised the deferred tax on unused tax losses / unused tax credits. Any increase in probability of future taxable profit will result into recognition of unrecognised deferred tax assets.

**d) Impairment of investment in subsidiary**

The Company reviews its carrying value of investments in subsidiary which is carried at cost (net of impairment, if any) annually, or more frequently when there is indication of impairment if recoverable amount is less than its carrying amount. The impairment loss is accounted in the standalone statement of profit and loss. For determining the recoverable amount, the Company measures investment in subsidiary at fair value as per point (a) above. Change in judgements and assumptions could effect by recoverable / fair value of investment in subsidiary.

**e) Assessment of COVID- 19impact**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets and other receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these standalone financial statements has used internal and external sources of information and economic forecasts. The Company has performed necessary analysis on the assumptions used and based on current estimates expects the carrying amount of it's assets does not require any impairment. However, the impact of COVID-19 on the Company's standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements, if any.

**2.4 Measurement of Fair values**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – unobservable inputs for the asset or liability. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

For assets and liabilities that are recognised in the Standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting year.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

## **2.5 Functional and presentation of currency**

The standalone financial statements are presented in Indian Rupees (INR) which is the functional currency of the Company and all values are rounded to the nearest lacs, except where otherwise indicated.

## **3 Significant Accounting policies**

### **3.1. Classification of Current and Non-current**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Act. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, the Company has ascertained the operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

### **3.2 Property, plant and equipment('PPE') and Depreciation**

- a. Property, plant and equipment are stated at cost of acquisition / construction less accumulated depreciation and accumulated impairment losses, if any. Gross carrying amount of all property, plant and equipment are measured using cost model.

- b. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/ decommissioning of the asset.
- c. Parts (major components) of an item of property, plant and equipments having different useful lives are accounted as separate items of property, plant and equipments.
- d. Subsequent expenditure related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- e. Property, plant & equipment are eliminated from Consolidated Financial Statements either on disposal or when retired from active use. Assets held for disposal are stated at net realizable value. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant & equipment are recognized in the statement of profit and loss in the year of occurrence.

**f. Depreciation**

Depreciation on property, plant and equipment (other than freehold land and capital work in progress) is provided on a written down value (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013:

Depreciation methods, useful lives and residual values are reviewed periodically, including at the end of each financial year and adjusted prospectively.

In case of assets purchased or derecognized during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been derecognized.

**3.3 Impairment of Non Financial assets**

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation had no impairment loss been recognised in earlier years.

### 3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(a) Financial Assets:**

**I. Initial measurement:**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

**II. Subsequent measurement:**

**a. Financial assets at amortised cost**

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

**b. Financial assets at fair value through other comprehensive income.**

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

**c. Financial assets at fair value through profit or loss**

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

**d. Investment in subsidiaries**

Investment in subsidiaries are measured at cost less impairment loss, if any.

### **III. Derecognition**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

### **IV. Impairment:**

A financial asset is regarded as credit impaired or subject to significant increase in credit risk, when one or more events that may have detrimental effect on estimated future cash flow of the assets have occurred. The Company applies expected credit loss model recognizing impairment loss on financial assets. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

## **(b) Financial Liabilities:**

### **I. Initial recognition and measurement:**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### **II. Subsequent measurement**

#### **a. Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to standalone statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

#### **b. Financial liabilities at amortized cost (Loans and Borrowings)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in statement of profit and loss

when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### **III. Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the standalone statement of profit and loss

#### **(c) Compound financial instruments**

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

#### **(d) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **(e) Re-classification**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company

does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **3.5 Income Taxes**

#### **(a) Current tax:**

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

#### **(b) Deferred tax:**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

### **3.6 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of Cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the Statement of cash flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Company's cash management, are also included as a component of Cash and cash equivalents.

### 3.7 Provisions, contingent liabilities and contingent assets

#### (a) Provisions:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

#### (b) Contingency liability:

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### (c) Contingent assets:

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### 3.8 Revenue recognition

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included and classified under the head “other income” in the standalone statement of profit and loss.

### **3.9 Borrowing Costs**

Borrowing costs attributable to the acquisition of a qualifying asset are capitalized as part of the cost of the asset till the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing cost includes interest expense incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

### **3.10 Earnings per share ('EPS')**

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **3.11 Cash Flow Statement:**

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## **4 Standards notified but not yet effective as at reporting date**

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

### **(a) Ind AS 103 – Reference to Conceptual Framework**

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

### **(b) Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related

cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its standalone financial statements.

**(c) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

**(d) Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

**Note - 5 : Property, plant and equipment**

<b>Computer</b>	<b>(Amount (Rs) in Lakhs)</b>
<u>At Cost</u>	
<b>As at 1st April, 2020</b>	<b>0.26</b>
Additions	-
Disposals	-
<b>As at 31st March, 2021</b>	<b>0.26</b>
<b>As at 1st April, 2021</b>	<b>0.26</b>
Additions	-
Disposals	-
<b>As at 31st March, 2022</b>	<b>0.26</b>
Accumulated Depreciation	
<b>As at 1st April, 2020</b>	0.03
Additions	0.14
Disposals	-
<b>As at 31st March, 2021</b>	<b>0.18</b>
<b>As at 1st April, 2021</b>	<b>0.18</b>
Additions	0.05
Disposals	-
<b>As at 31st March, 2022</b>	<b>0.23</b>
<u>Net Block</u>	
<b>As at 31st March, 2021</b>	<b>0.08</b>
<b>As at 31st March, 2022</b>	<b>0.03</b>

**Note 6 : Investments**

**(Amount (Rs) in Lakhs)**

<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
<b>Investments in Subsidiary - at cost</b>		
<b>-Unquoted equity instruments, fully paid up</b>		
<b>Modulex Modular Buildings Private Limited</b>	33,559.71	33,559.71
(As on 31st March 2022 - 6,75,73,618 Equity Shares of face value Rs. 10/- each)		
(As on 31st March 2021 - 6,75,73,618 Equity Share of face value Rs. 10/- each)		
<b>Other investments - Fair value through profit and loss</b>		
<b>-Unquoted Compulsory Convertible Debentures, fully paid up</b>		
15% Compulsory Convertible Debenture of Give Vinduet Windows & Doors Private Limited. *	75.18	-
(As on 31st March 2022 - 6,00,000 debentures of Rs. 10 each)		
(As on 31st March 2021 - Nil)		
<b>Total</b>	<b>33,634.89</b>	<b>33,559.71</b>

(Amount (Rs) in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	33,619.71	33,559.71
Market value of quoted investments	-	-
Aggregate amount of impairment in the value of investment	-	-

\* Convertible in the equity shares in the ratio of 1:1

**6.1** Investments in Compulsory Convertible Debentures of Give Vinduet Windows & Doors Private Limited aggregating to Rs. 60 lakhs (excluding fair value adjustment under Ind AS) is approved by the board of directors of the Company, however, the shareholders approval for the same is not obtained as per the requirement of Section 186 of the Companies Act 2013. The Company will regularize the said transaction by taking approval of the shareholders in next meeting.

**Note 7 : Other Non current assets**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Advance tax (Net of provision for tax)	0.27	1.13
Balance with Government authorities	25.77	18.33
<b>Total</b>	<b>26.04</b>	<b>19.46</b>

**Note 8 : Cash and cash equivalents**

Particulars	As at 31st March 2022	As at 31st March 2021
Balance with Banks		
- in Current Accounts	0.73	0.60
Cash on Hand	-	0.01
<b>Total</b>	<b>0.73</b>	<b>0.60</b>

**Note 9 : Bank balances other than cash & cash equivalents**

Particulars	As at 31st March 2022	As at 31st March 2021
<b><u>In Fixed Deposit with Bank</u></b>		
(Maturity less than Twelve months) (Refer Note 9.1 below)	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

**Note:**

**9.1** The fixed deposit held by the Company carries in its erstwhile name “Tumus Electric Corporation Limited”.

**Note 10 : Other financial assets**

**(Amount (Rs) in Lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, Considered good, measured at amortised cost</b>		
<b>Interest receivable on:</b>		
Fixed deposit	0.08	0.08
Compulsory Convertible Debentures	4.04	-
<b>Total</b>	<b>4.12</b>	<b>0.08</b>

**Note 11 : Other current assets**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, Considered Good</b>		
Prepaid Expenses	0.48	-
<b>Total</b>	<b>0.48</b>	<b>-</b>

**Note 12 : Equity Share Capital**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of Shares	Amount (Rs)	Number of Shares	Amount (Rs)
<b>Authorised Share Capital</b>				
Cumulative Redeemable Pref Shares of Rs 10/- each (31st March, 2021: Rs 10/- each)	50,000	5.00	50,000	5.00
Equity Shares of Rs 10/- each (31st March, 2021: Rs 10/- each)	7,29,50,000	7,295.00	7,29,50,000	7,295.00
	<b>7,30,00,000</b>	<b>7,300.00</b>	<b>7,30,00,000</b>	<b>7,300.00</b>
<b>Issued, Subscribed and Fully Paid Up Issued Capital</b>				
Equity Shares of Rs 10/- each (31st March, 2021: Rs 10/- each)	5,13,03,040	5,130.30	5,13,03,040	5,130.30
	<b>5,13,03,040</b>	<b>5,130.30</b>	<b>5,13,03,040</b>	<b>5,130.30</b>

**a) Reconciliation of shares outstanding at the beginning and at the end of the year**

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount (In Rs)	No. of Shares	Amount (In Rs)
<b>Equity Shares</b>				
At the beginning of the year / period	5,13,03,040	5,130.30	5,13,03,040	5,130.30
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,13,03,040</b>	<b>5,130.30</b>	<b>5,13,03,040</b>	<b>5,130.30</b>

**b) Terms / rights attached to equity shares**

The Company has only one class of equity shares of Rs. 10/- each. These shares rank pari passu with each other and in accordance with the Articles of Association of the Company. Each equity shareholder is entitled to the same rights as regards voting, dividend and repayment of capital in proportion to his shareholding and there are no restrictions to the rights of shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets after distribution of all preferential amounts. The distribution assets of the company will be in proportion to the number of equity shares held by the shareholders after preferential allocation.

**c) Details of Shareholders holding more than 5% shares in the company:**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of Share	% holding	Number of Share	% holding
Red Ribbon Modulex Buildings Ltd	1,06,84,526	20.83%	1,06,84,526	20.83%
Providence Educational Academy Pvt Ltd	-	0.00%	54,51,853	10.63%
JZ MODY Family Private Limited	54,51,853	10.63%	-	0.00%
Ajmera Realty and Infra India Ltd.	37,25,809	7.26%	37,25,809	7.26%
Synthite Industries Pvt Ltd.	4,20,377	0.82%	32,43,096	6.32%
Ethix Realtors Private Limited	25,91,427	5.05%	29,75,499	5.80%

**d) For the period of five years immediately preceding the date at which the Balance Sheet is prepared-**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of Share	Amount (Rs)	Number of Share	Amount (Rs)
Equity Shares Issued under shares swap basis (Refer Note 1 below)	5,00,17,765	5,001.78	5,00,17,765	5,001.78

**Note:**

In the year 2019-20, the Company had issued its own 84,45,579 fully paid equity shares against 1,13,59,322 fully paid equity shares of Modulex Modular Buildings Private Limited (“MMBPL”) in terms of swap ratio approved by Bombay stock Exchange (BSE).

**e) Disclosure of Shares held by Promoters:-**

Promoter Name	As at 31st March 2022			As at 31st March 2021		
	No of Shares	% of Total Shares	% of Change during the year	No of Shares	% of Total Shares	% of Change during the year
Suchit Punnose	18,92,489	3.69%	-	18,92,489	3.69%	-
Redribbon Advisory Services Private Limited	6,11,929	1.19%	-	6,11,929	1.19%	-
Redribbon Modulex Buildings Limited	1,06,84,526	20.83%	-	1,06,84,526	20.83%	-
<b>Total</b>	<b>1,31,88,944</b>	<b>25.71%</b>	<b>-</b>	<b>1,31,88,944</b>	<b>25.71%</b>	<b>-</b>

**Note 13 : Other Equity**

**(Amount (Rs) in Lakhs)**

Particulars	Reserves & Surplus				Other Reserves	Total
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings	Transaction Cost on the Equity Instruments	
<b>As at 1st April, 2020</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(178.58)</b>	<b>(119.05)</b>	<b>28,216.21</b>
Add: Total (loss) for the year	-	-	-	(74.35)	-	(74.35)
Add: Other comprehensive income for the year	-	-	-	-	-	-
<b>As at 31st March 2021</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(252.93)</b>	<b>(119.05)</b>	<b>28,141.86</b>

<b>As at 1st April 2021</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(252.93)</b>	<b>(119.05)</b>	<b>28,141.86</b>
Add: Total (loss) for the year	-	-	-	(79.40)	-	(79.40)
Add: Other comprehensive income for the year	-	-	-	-	-	-
<b>As at 31st March 2022</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(332.34)</b>	<b>(119.05)</b>	<b>28,062.46</b>

**Nature and purpose of reserves:**

**1) Share Premium**

Securities premium is created due to shares being issued on premium. The reserve can be utilised only for certain purpose as per the provisions of the Companies Act, 2013.

**2) Capital Reserve**

The capital reserve is created from capital profits in the earlier years.

**3) General Reserve**

General reserve is transfer of profits from retained earnings for appropriation purposes.

**4) Retained earning**

The retained earnings represents balance of accumulated net profit or loss from business operations.

**5) Transaction Cost on the Equity Instruments**

This reserve represents the transaction cost incurred for issue of equity share capital and recognised due to Ind AS adjustment.

**Note 14 : Borrowings (Non-current)**

**(Amount (Rs) in Lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured Loan (carried at amortised cost):</b>		
<b>Loans from related parties (Refer note 1 below)</b>		
Modulex Modular Buildings Private Limited (Subsidiary)	47.70	47.70
Give Vinduet Windows & Door Private Limited (Company in which directors are interested)	10.93	10.93
Suchit Punnose (Director)	1.92	1.92
<b>Total</b>	<b>60.55</b>	<b>60.55</b>

**Note:**

14.1 The loans are obtained at interest rates where the details are given below:

Name of Party	Rate of interest (%)	
	31st March 2022	31st March 2021
Modulex Modular Buildings Private Limited	7.37	7.37
Give Vinduet Windows & Door Private Limited	7.37	7.37
Suchit Punnose	7.37	7.37

The above unsecured loans (including interest thereon) are repayable which commences from financial year 2023-24 and repayable by 2024-25.

**Note 15 : Other non current financial liabilities**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Carried at Amortised cost</b>		
Interest accrued but not due on borrowings	2.32	1.26
<b>Total</b>	<b>2.32</b>	<b>1.26</b>

**Note 16 : Borrowings (Current)**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured Loan (carried at amortised cost and repayable on demand):</b>		
<b>Loans from related parties (Refer note 16.1 below)</b>		
Modulex Modular Buildings Private Limited (Subsidiary)	299.81	180.14
<b>Total</b>	<b>299.81</b>	<b>180.14</b>

**Note:**

16.1 The above loan is taken from Subsidiary Company with the interest rate @ 9% and 15% p.a (Previous year: 9% and 15%) respectively and same is repayable on demand within 12 months from the balance sheet date.

**Note 17 : Trade payables**

**(Amount (Rs) in Lakhs)**

<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
- total outstanding dues of micro enterprises and small enterprises	5.50	7.21
- total outstanding dues of creditors other than micro enterprises and small enterprises	21.16	16.58
<b>Total</b>	<b>26.66</b>	<b>23.79</b>

**Note:**

**17.1 Ageing Schedule - As at March 31, 2022**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					
	<b>Unbilled</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) MSME	3.60	1.90	-	-	-	5.50
(ii) Others	1.50	14.24	4.07	1.36	-	21.16
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>5.10</b>	<b>16.14</b>	<b>4.07</b>	<b>1.36</b>	<b>-</b>	<b>26.66</b>

**Ageing Schedule - As at March 31, 2021**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					
	<b>Unbilled</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) MSME	4.74	2.47	-	-	-	7.21
(ii) Others	4.20	7.80	4.58	-	-	16.58
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>8.93</b>	<b>10.27</b>	<b>4.58</b>	<b>-</b>	<b>-</b>	<b>23.79</b>

In the absence of relevant reports from the system, the above ageing is given as per the posting date of transaction in the books of accounts and accordingly disclosure of bills not due has also not been given in above table.

**17.2 Micro Small And Medium Enterprises (“MSME”) Disclosure:**

<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act) Principal amount due to micro and small enterprise Interest due.	1.90	2.47
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

**17.3** Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to dues to Micro, Small and Medium enterprises. Based on the information available with the Company, there are no parties who have been identified as micro, small and medium enterprises as at reporting date other than mentioned above based on the confirmations circulated and responses received as at reporting date by the management. Any updated information received by the management post reporting date regarding change in the status to micro, small and medium enterprises would be given effect of status change in the next financial year.

**17.4** Amount unbilled as per trade payable aging has not been considered in the above table as the invoice for the same is yet to be received by the Company.

**Note 18 : Other current Financial Liabilities**

**(Amount (Rs) in Lakhs)**

<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
<b>Carried at Amortised cost</b>		
Payable to employees	1.00	2.00
Interest accrued but not due on borrowings	68.47	35.15
<b>Total</b>	<b>69.47</b>	<b>37.15</b>

**Note 19 : Other Current Liabilities**

**(Amount (Rs) in Lakhs)**

<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
Statutory Dues	19.71	9.88
<b>Total</b>	<b>19.71</b>	<b>9.88</b>

**Note 20 : Revenue From Operations**

<b>Particulars</b>	<b>For the Year Ended 31st March 2022</b>	<b>For the Year Ended 31st March 2021</b>
Sale of products / service	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 21 : Other Income**

<b>Particulars</b>	<b>For the Year Ended 31st March 2022</b>	<b>For the Year Ended 31st March 2021</b>
<b>Interest income on:</b>		
Income Tax Refund *	0.00	-
Fixed deposit with bank	0.45	0.45
Compulsory convertible Debentures	6.34	-
Gain on financial instruments at fair value through profit or loss	15.18	-
Liabilities no longer required written back	5.40	-
<b>Total</b>	<b>27.37</b>	<b>0.45</b>

\* Interest on income tax refund is reflecting as 0.00 as absolute amount is below thousand

**Note 22 : Employee Benefits Expenses**

<b>Particulars</b>	<b>For the Year Ended 31st March 2022</b>	<b>For the Year Ended 31st March 2021</b>
Salaries and Wages	12.00	12.00
Staff Welfare Expense	0.10	-
<b>Total</b>	<b>12.10</b>	<b>12.00</b>

The Payment of Gratuity Act, 1972 is not applicable to the Company as the numbers of employees are less than ten and hence, the Company has not made provision towards defined benefit plan in the form of gratuity. Further, there are no outstanding leave benefits for which provision is required to be made in the books of account.

**Note 23 : Finance Costs**

(Amount (Rs) in Lakhs)

Particulars	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
Interest on unsecured loan	38.20	32.84
Interest on Statutory dues	2.20	1.40
<b>Total</b>	<b>40.40</b>	<b>34.24</b>

**Note 24 : Depreciation And Amortization Expense**

Particulars	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
Depreciation on Property, plant and equipment	0.05	0.14
<b>Total</b>	<b>0.05</b>	<b>0.14</b>

**Note 25 : Other Expenses**

Particulars	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
Printing & Stationery	0.26	-
Advertisement Expenses	2.84	2.67
Legal and Professional Expenses	19.84	12.04
Rates and Taxes	6.68	4.79
Directors Sitting Fees (Refer note 25.2)	16.50	2.00
Telephone & Mobile Charges	0.07	0.03
Bank Charges	0.11	0.14
Auditor's Remuneration (Refer Note 25.1)	6.44	6.73
Office expense	0.01	0.03
<b>Total</b>	<b>52.74</b>	<b>28.42</b>

**25.1: Auditor's Remuneration**

Particulars	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
As auditor:		
Audit fee	3.50	4.50
Taxation matters	0.54	0.75
Limited review and other matters	2.41	1.48
<b>Total</b>	<b>6.44</b>	<b>6.73</b>

## 25.2 Prior period adjustment

It includes prior period expense amounting to Rs 2 lakhs pertaining to FY 20-21 which has been recognised in current year. Considering the overall materiality, previous year figures have not been restated.

### Note 26 : Earning Per Share

Particulars	31st March 2022	31st March 2021
Net (Loss) after tax as per Standalone Statement of Profit & Loss (A)	(79.40)	(74.35)
Outstanding number of Equity Shares as at 31st March	5,13,03,040	5,13,03,040
Weighted average number of Equity Share used in computing (B)	5,13,03,040	5,13,03,040
<b>Earning Per Share - Basic and Diluted (A/B)</b>	<b>(0.15)</b>	<b>(0.14)</b>

### Note 27 : Financial Instruments

#### Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation .

The following methods and assumptions were used to estimate the fair values:

- i) The management assessed that fair value of cash and cash equivalents, borrowing, other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and are equal to the fair values.
- ii) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled except investment in subsidiary which is carried at cost.

Hierarchy used for determining and disclosing the fair value of financial instruments by valuation technique:

The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

## 27.1 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's financial instruments along with their carrying amounts and fair value.

(Amount in Lakhs)

As at March 31, 2022	Carrying amount	Carried at amortised cost	Fair Value							
			Routed through OCI				Routed through Profit and loss			
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>										
Investment in Compulsory Convertible Debentures	75.18	-	-	-	-	-	-	-	75.18	75.18
Balance with Banks (cash and cash equivalents)	0.73	0.73	-	-	-	-	-	-	-	-
Interest receivable	4.12	4.12	-	-	-	-	-	-	-	-
Bank balances other than cash & cash equivalents	5.00	5.00	-	-	-	-	-	-	-	-
<b>Total</b>	<b>85.03</b>	<b>9.85</b>	-	-	-	-	-	-	<b>75.18</b>	<b>75.18</b>
<b>Financial Liabilities</b>										
Borrowings	360.36	360.36	-	-	-	-	-	-	-	-
Payable to employee	1.00	1.00	-	-	-	-	-	-	-	-
Trade payable	26.66	26.66	-	-	-	-	-	-	-	-
Interest accrued but not due	70.79	70.79	-	-	-	-	-	-	-	-
<b>Total</b>	<b>458.81</b>	<b>458.81</b>	-	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>										
As at March 31, 2021	Carrying amount	Carried at amortised cost	Fair Value							
			Routed through OCI				Routed through Profit and loss			
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>										
Balance with Banks (cash and cash equivalents)	0.60	0.60	-	-	-	-	-	-	-	-
Cash on Hand	0.01	0.01	-	-	-	-	-	-	-	-
Bank balances other than cash & cash equivalents	5.00	5.00	-	-	-	-	-	-	-	-
Interest receivable	0.08	0.08	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5.68</b>	<b>5.68</b>	-	-	-	-	-	-	-	-
<b>Financial Liabilities</b>										
Borrowings	240.69	240.69	-	-	-	-	-	-	-	-
Payable to employee	2.00	2.00	-	-	-	-	-	-	-	-
Trade payable	23.79	23.79	-	-	-	-	-	-	-	-
Interest accrued but not due	36.41	36.41	-	-	-	-	-	-	-	-
<b>Total</b>	<b>302.89</b>	<b>302.89</b>	-	-	-	-	-	-	-	-

Investment in Modulex Modular Buildings Private Limited (Subsidiary) is carried at cost and hence, not disclosed in above table.

**Note 28 : Financial risk management objectives and policies :**

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments and other assets.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has adopted a Risk Management Charter and Policy for self-regulatory processes and procedures for ensuring the conduct of the business in a risk conscious manner. The Risk Management Policy of the Company states the Company's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The Company has exposure to the following risks arising from financial instruments:

- I. Market Risk
- II. Credit Risk
- III. Liquidity Risk

**I. Market Risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

Market risk comprises three types of risks:

- a. Interest Rate Risk,
- b. Currency Risk,
- c. Other Price Risk.

Financial instruments affected by market risk includes borrowings, investments and trade payables.

**a. Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

The impact on Company's loss after tax and on other equity due to change in interest rate is given below:

(Amount (Rs) in Lakhs)

Particulars	(Increase) / Decrease in loss after tax		Increase / (Decrease) in other equity	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Increase by 1%	(3.60)	(2.41)	(3.60)	(2.41)
Decrease by 1%	3.60	2.41	3.60	2.41

### b. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities i.e. when revenue or expense is denominated in a foreign currency. The Company is not exposed to foreign currency risk.

### c. Price Risk :

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Company has investment in securities which is not exposed to price risk except investment in 15% Compulsory Convertible Debentures which is recognised under the category of Fair value through profit and loss (under level 3) which is made in current year.

Particulars	(Increase) / Decrease in loss after tax		Increase / (Decrease) in other equity	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Increase by 10%	7.52	-	7.52	-
Decrease by 10%	(7.52)	-	(7.52)	-

In the above table, the management has not considered investment in subsidiary which is carried at cost and investments against which the Company has made impairment provision.

## II. Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as Investment, Cash and cash equivalent, balances with banks and other financial assets. The Company's exposure to credit risk is disclosed in note 6, 8, 9 and 10.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,

- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the standalone statement of profit and loss.

The Company measures the expected credit loss based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

#### **Other Financial assets**

Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

For other financial assets e.g. Investments and other assets, Company periodically assesses financial reliability counter parties, taking into account the financial condition, current economic trends, and analysis of historical credit losses and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### **III. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The table below analyse financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(Amount(Rs) in Lakhs)

Particulars	Less than 1 Year	Between 1 to 5 Years	Over 5 Years	Total	Carrying Value
<b>As at March 31, 2022</b>					
Borrowings	299.81	60.55	-	360.36	360.36
Trade payables	26.66	-	-	26.66	26.66
Other Financial liabilities	69.47	2.32	-	71.79	71.79
<b>Total</b>	<b>395.94</b>	<b>62.87</b>	<b>-</b>	<b>458.81</b>	<b>458.81</b>

Particulars	Less than 1 Year	Between 1 to 5 Years	Over 5 Years	Total	Carrying Value
<b>As at March 31, 2021</b>					
Borrowings	180.14	60.55	-	240.69	240.69
Trade payables	23.79	-	-	23.79	23.79
Other Financial liabilities	37.15	1.26	-	38.41	38.41
<b>Total</b>	<b>241.08</b>	<b>61.81</b>	<b>-</b>	<b>302.89</b>	<b>302.89</b>

### Capital Management

For the purpose of the Company’s capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2022, the Company has one class of shares in the nature of equity. Further company had raised fund through loans from related parties. Consequent to such capital structure, there are no externally imposed capital requirements.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

(Amount (Rs) in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Total Debt (including interest on debt)	360.36	240.69
Total Capital (total equity shareholder's fund - deferred tax assets)	33192.76	33272.17
Total Capital and Debt	33553.12	33512.86
Gearing Ratio	1.07%	0.72%

**Note 29 : Related Party Transactions**

**29.1** Following is the list of Related Parties and Relationships:

<b>Sr. No.</b>	<b>Particulars</b>
<b>A)</b>	<b>Subsidiary</b>
1	Modulex Modular Buildings Private Limited
<b>B)</b>	<b>Step Down Subsidiary</b>
1	Redribbon Advisory Services Private Limited
<b>C)</b>	<b>Other Enterprise where control exists / Where Directors or KMP's is interested</b>
1	Eco Hotels India Private Limited
2	Armaec Energy Private Limited
3	Give Vinduet Windows And Doors Private Limited
4	Crowdsource Global Private Limited
5	Substantia Real Estate India Private Limited
6	Ribbon Services Private Limited (w.e.f. 18th February 2021)
7	Redribbon Modulex Buildings Limited
8	Redribbon Asset Management PLC
9	Credent Asset Management Services Private Limited
10	Credent Asset Advisors Private Limited
11	Credent Property Advisory LLP (till 26th March 2022)
12	AZH Consultants LLP (till 26th March 2022)
13	Credent Investment Private Limited (till 26th March 2022)
14	Credent Property Advisory Private Limited (till 26th March 2022)
15	Oracle Credit Limited (till 26th March 2022)
<b>D)</b>	<b>Key Management Personnel</b>
1	Suchit Punnose
2	Raj Kumar Sharma, Independent Director
3	Sandeep Khurana, Independent Director
4	Aditya Vikram Kanoria, Independent Director
5	Rakhee Amit Agarwal, Independent Director

**29.2 Related Party Transactions during the period are as follows:**

S.No.	Particulars	Amount (In Rs)	
		As at 31st March 2022	As at 31st March 2021
<b>A)</b>	<b>Interest on loan</b>		
i	Modulex Modular Buildings Private Limited	37.02	31.80
ii	Give Vinduet Windows and Doors Private Limited	1.02	0.89
iii	Suchit Punnose	0.16	0.15
<b>B)</b>	<b>Interest income on Compulsory Convertible Debentures</b>		
i	Give Vinduet Windows and Doors Private Limited	6.34	-
<b>C)</b>	<b>Repayment of loan via transfer</b>		
i	Give Vinduet Windows and Doors Private Limited	-	1.67
<b>D)</b>	<b>Loan received during the year (including transfer)</b>		
i	Modulex Modular Buildings Private Limited	119.67	66.49
<b>E)</b>	<b>Directors Sitting fees</b>		
i	Raj Kumar Sharma	2.25	0.25
ii	Sandeep Khurana	5.75	0.75
iii	Aditya Vikram Kanoria	5.25	0.75
iv	Rakhee Amit Agarwal	3.25	0.25

**29.3 Related Party balances outstanding are as follows:**

S.No.	Particulars	Amount (In Rs)	
		As at 31st March 2022	As at 31st March 2021
<b>A)</b>	<b>Loan outstanding including interest accrued but not due on borrowings</b>		
i	Modulex Modular Buildings Private Limited	415.98	262.99
ii	Give Vinduet Windows and Doors Private Limited	12.93	12.01
iii	Suchit Punnose	2.24	2.10
<b>B)</b>	<b>Interest receivable on Compulsory Convertible Debentures</b>		
i	Give Vinduet Windows and Doors Private Limited	4.04	-
<b>C)</b>	<b>Outstanding Sitting fees</b>		
i	Raj Kumar Sharma	2.26	0.23
ii	Aditya Vikram Kanoria	5.42	0.69
iii	Rakhee Amit Agarwal	3.16	0.23
iv	Sandeep Khurana	2.93	0.69
<b>D)</b>	<b>Investment in Subsidiary (at cost)</b>		
i	Modulex Modular Buildings Private Limited	33559.71	33559.71

Also refer note 43 for other commitment given by the Company.

The information disclosed is based on the names of the parties as identified by the management and same has been relied by the Auditor. Further, above transactions (including outstanding balances) are after considering the fair value adjustments under Ind AS.

**Note 30 : Segment Reporting**

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

**Note 31 : Disclosure required under Section 186(4) of the Companies Act 2013 and Sebi (listing agreement and disclosure requirements) regulations, 2015**

In the current year, the Company has purchased 15% Unsecured Compulsory Convertible Debentures of Give Vinduet Windows & Doors Private Limited for Rs. 60 lakhs at face value from existing shareholders of Give Vinduet Windows & Doors Private Limited. As mentioned in note 6.1 of standalone financial statements, the same is approved by the board of directors, however, shareholders approval for the same is not obtained. The Company will regularize the said transaction by taking approval of the shareholders in next meeting.

**Note 32 : Deferred Tax Assets / Liabilities:**

Due to absence of virtual/ reasonable certainty about the future taxable income, the Company has not recognised, any deferred tax assets on the any carried forward business losses, unabsorbed depreciation and other items. Details of the carried forward losses and deferred tax thereon as follows:

**Amount (Rs) in Lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021
<b><u>Deferred tax Assets</u></b>		
Business Losses (Carried Forward)	263.53	184.29
Unabsorbed Depreciation	0.18	0.13
Difference in WDV of PPE between Companies Act and Income Tax Act	0.04	0.04
<b><u>Deferred tax Liabilities</u></b>		
Difference in Investment (based on fair value through profit and loss)	15.18	-
Deferred tax Asset (Net)	64.63	47.96

**Note 33 : Impact of Global Pandemic Covid 19 on Standalone Financial Statements**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets and other receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these standalone financial statements has used internal and external sources of information and economic forecasts. The Company has performed necessary analysis on the assumptions used and based on current estimates expects the carrying amount of it’s assets does not require any

impairment. However, the impact of COVID-19 on the Company's standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements, if any.

**Note 34 : Disclosure of Ratios**

Particulars	Description of Ratio	As at 31st March 2022	As at 31st March 2021	Variance %	Reasons for variance more than 25%
(a) Current Ratio (in times)	Current assets / Current liabilities	0.02	0.02	9.72%	
(b) Debt-Equity Ratio (in times)	Total Debt / Shareholder's equity	0.01	0.01	50.08%	The variance is mainly because of loan obtained during the year and increase in net loss for the year during the year
(c) Debt Service Coverage Ratio (in times)	EBITDA (Earnings before Interest, Depreciation and Tax) / Total debt service	(0.10)	(0.19)	-45.20%	The variance is mainly because of loan obtained during the year and increase in net loss for the year during the year
(d) Trade payable turnover ratio (in times)	Average Trade payable / other expense	2.09	2.39	-12.49%	
(e) Return on Equity Ratio (in %)	Net loss after taxes / Average Shareholder's equity	(0.24%)	(0.22%)	7.04%	
(f) Return on Capital employed (in %)	EBIT / Capital Employed	(0.11%)	(0.12%)	-6.57%	
(g) Return on investment (in %)	Investment income / Closing investment	0.02%	0.00%	100.00%	The ratio is not comparable since there was no income from investment in the previous year

Since the Company does not have any revenue from operations and inventories, the relevant ratios pertaining to it is not applicable and disclosed.

**Note 35 :** In pursuant to compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board of Directors at its meeting held 15th March 2022 approved for raising of funds amounting to Rs 4,100 lakhs on rights issue basis subject to approval of shareholders in Extra ordinary General Meeting. As a result no impact has been given in the Standalone financial statements as on 31st March 2022.

**Note 36 :** In the current year, the Company in capacity of intermediary is in receipt of funds via unsecured loan and same has been invested in the Compulsory Convertible Debentures (CCD's) in the year for which details are given below:

The Company has received Rs. 10 lakhs on 13th July 2021 and Rs. 50 lakhs on 19th July 2021 from Modulex Modular Buildings Private Limited (MMBPL) (Intermediary party) which is turn received the funds Give Vinduet Windows & Doors Private Limited (GIVWDPL) (Funding party). The Company has utilized Rs. 10 lakhs and Rs. 50 lakhs on 13th July 2021 and 19th July 2021 respectively for purchase of Compulsory Convertible Debentures (CCD) of GIVWDPL from existing CCD holders of GIVWDPL (ultimate beneficiaries / ultimate receipt of funds).

Additional details:

- a) Give Vinduet Windows & Doors Private Limited (U28111KL2011PTC028899) (Company in which directors are interested): No.67/6446, Basin Road, Ernakulam, Kerala - 682031, India
- b) Modulex Modular Buildings Private Limited (Subsidiary) (U45400KL2008PTC029096): 67/6446, Basin Road, Cochin - 682031 Kerala.
- c) CCD holders of GIWDPL: Various details of CCD holders GIVWDPL are given below:
  - i) Anila Jain : PAN - ABZPJ3933H, Address - 28-111, 3rd Floor, West Patel Nagar, New Delhi - 110008
  - ii) Pramila Kumari : PAN - AAPPP9137Q, Address - B-5, Shivalaya Marg, Sethi Colony, Jawahar Nagar, Jaipur - 302004
  - iii) Deo Narain Kalla : PAN - AGDPK9101D, Address - 4-CH-15, Jawahar Nagar, Jaipur - 302004
  - iv) Vinod Kumar Jain : PAN - ABEPJ9443P, Address - B-5, Shivalaya Marg, Sethi Colony, Jawahar Nagar, Jaipur - 302004
  - v) Nishi Lodha : PAN - AAGPL8897G, Address - 7, Wali Garden, Bardia Colony, Mussem Road, Jaipur - 302004"
- d) As informed by the management, the Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003) except that as stated in note 6.1 of standalone financial statements, shareholders approval is not taken for purchase of CCD of GIWDPL as per requirement of the Companies Act 2013 and the Company will regularize the said transaction by taking approval of the shareholders in next meeting.

**Note 37 : Other Notes pertaining to Schedule III:**

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with Companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) except disclosed in Note 36 that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Company has complied with provisions of downstream layers of companies as per Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- (ix) Reporting/disclosures is not made/applicable to the Company with respect to submission of statement of current assets to the bank as credit facility is not sanctioned against current assets of the Company.

**Note 38 : Changes in liabilities arising from financing activities**

**31st March 2022**

**(Amount (Rs) in Lakhs)**

Particulars	From 1st April 2021	Reclassification from other current liabilities to borrowings	Cash Flows (net)	As at 31st March 2022
Borrowings (Current and non current)	240.69	-	119.67	360.36

**31st March 2021**

Particulars	From 1st April 2020	Reclassification from other current liabilities to borrowings	Cash Flows (net)	As at 31st March 2021
Borrowings (Current and non current)	175.87	31.00	33.82	240.69

Interest expense on borrowings was Rs 38.20 Lakhs and Rs 32.84 lakhs for the year ended 31st March 2022 and 31st March 2021 respectively.

**Note 39 :** In the current year, the Company has received whistleblower complaint from one of the person (hereinafter referred to as “the complainant”). The Complainant is chairman of audit committee, independent director and chairman of Whistleblower investigation committee of the Company. The Complaint has been filed for conduct of the board meeting held for approval of right issue of equity shares. Based on the complaint

of the claimant, the said matter was raised by the statutory auditor to the audit committee and also submitted its report to the central government subsequent to year end in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. Subsequent to year end, the Company has appointed an independent third party to investigate the matter. Based on the investigation report submitted by the third party which is also approved by the audit committee in meeting dated 2nd September 2022, allegation in whistleblower complaint are baseless.

**Note 40 :** In the opinion of the management, the Company is not required to obtain registration as Non-Banking Financial Company (NBFC) as it is neither carrying on any financial activities and nor proposing to carrying on financial activities as principal business in future and revenue of the Company is mainly affected due to delay in implementing the project by the subsidiary company. Further, the Company is taking necessary steps to generate revenue from non-financial assets. This is also confirmed by the consultant of the Company.

**Note 41 :** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

**Note 42 :** The Company has not maintained the video recordings of the certain board meetings and audit committee meetings which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013 due to technical glitches. However, signed physical board minutes and audit committee minutes of meeting have been maintained by the Company.

**Note 43 : Other Commitments:**

The Company has given the commitment to provide the financial support to Subsidiary Company (Modulex Modular Buildings Private Limited) as and when required.

**Note 44 : Comparatives**

The figures of the previous year have been regrouped and re-arranged wherever necessary to conform to current presentation. The figures for the current year and previous year have been presented in Rs in Lakhs.

As per our report of even date attached

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

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

**Place: Mumbai**  
**Date : 05<sup>th</sup> September, 2022**

**For and on behalf of the Board of**  
**Modulex Construction Technologies Limited**  
**(CIN :L45100PN1973PLC182679)**

**Suchit Punnose**  
Director  
(DIN 02184524)

**Mahendra Kumar Bhurat**  
Chief Financial Officer  
(PAN AJIPB3300M)  
**Date : 02<sup>nd</sup> September, 2022**

**Ajay Palekar**  
Managing Director  
(DIN 02708940)

**Bhoomi Mewada**  
Company Secretary  
(M.No. A34561)

## INDEPENDENT AUDITOR’S REPORT

### To the Members of Modulex Construction Technologies Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **Modulex Construction Technologies Limited** (hereinafter referred to as “**the Company**” or “**the Holding Company**”) and its Subsidiaries (the holding Company / the Company and its subsidiary together referred to as “**the Group**”) which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (Including other comprehensive income), Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “**the Consolidated Financial Statements**”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022; and its loss (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

#### Basis for Opinion:

We have conducted the audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of the report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

- 1) As stated in note 47 of consolidated financial statements, the Company has received whistleblower complaint with respect conducting the board meeting for approval of proposed rights issues of equity shares of the Company. Based on the complaint of the claimant, the said matter was raised by the statutory auditor to the audit committee and also submitted its report to the central government subsequent to year end in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. Subsequent to year end, the Holding Company has appointed an independent third party to investigate the matter. Based on the investigation report submitted by the third party which is also approved by the audit committee of the holding company in meeting dated 2nd September 2022, allegation in whistleblower complaint are baseless and we have relied on the said investigation report.
- 2) As stated on Note 7.1 and 41 of the consolidated financial statements, in the current year, the Holding Company has made the investment of Rs 60.00 Lakhs (excluding fair value adjustment under Ind

AS) in Compulsory Convertible Debentures of Give Vinduet Windows & Doors Private Limited (the Company in which directors are having interest). The same has been approved by the board of directors of the Holding Company, however, the shareholder's approval for the same is not obtained as per requirement of Section 186 of the Act. We are informed by the management that the Company will regularize the said transaction by taking approval of the shareholders in next meeting.

- 3) Reference is invited to Note 52 of Consolidated Financial Statements which states that in the opinion of the management, the Company is not required to obtain registration as Non-Banking Financial Company (NBFC) as it is neither carrying on any financial activities and nor proposing to carrying on financial activities as principal business in future and revenue of the Company is affected mainly due to delay in implementing the project by the subsidiary company. However, the Company is taking necessary steps to generate revenue from non-financial assets. This opinion is also confirmed by the consultant of the Company and we have relied on the same.
- 4) As stated in note 5.5 of the consolidated financial statements, due to delay in construction of project for the reason stated in the said note, the subsidiary company [Modulex Modular Building Private Limited (MMBPL)] has continued to incur losses during the year and its current liabilities are also greater than current assets. Considering the recommencement of construction work during the year, commitment from the shareholders / promoters of subsidiary company to infuse the funds for execution of the project, the management expectation for receipt of extension letter from MIDC for construction work as well as future business prospect of the subsidiary company, in the opinion of the management, there is no impairment of property, plant and equipment and capital work in progress of the said subsidiary company as on date.
- 5) Attention is invited to Note 9.2 of consolidated financial statements which states that in respect of the MMBPL (subsidiary company) GST input credit as per books is higher by Rs. 31.34 lakhs than GST return. In the opinion of the management, the said subsidiary company would be able to take said GST input credit in the return after necessary rectification / payments by vendors. Pending this, the said amount has been disclosed under contingent liabilities.
- 6) Attention is invited to Note 30.2 of consolidated financial statements which states that one of the independent and non-executive director of subsidiary company (MMBPL) has demanded the fees of Rs. 96.33 lakhs. As mentioned in the same note, we are informed by the management that said director was brought on board on the mutual understanding that fees will be accrued / payable on achieving financial closure of the project and since financial closure is not achieved as on 31<sup>st</sup> March 2022, the fees is not payable to the said director. However, in the current year, the said Subsidiary Company has paid Rs. 47 lakhs as expended goodwill in FY 21-22 and balance amount of Rs. 49.33 lakhs has been shown under contingent liabilities pending outcome final dispute / settlement.
- 7) We draw attention to Note 27.1 of the Consolidated Financial Statements, regarding excess managerial remuneration to directors of the Subsidiary Company (MMBPL) aggregating Rs. 116 lakhs for FY 20-21 & Rs. 117.25 lakhs for FY 21-22 than prescribed under section 197 of Act. Subsequent to year end, the Board of directors and shareholders have approved the above excess remuneration payable to directors and waived recovery of said excess managerial remuneration. Further, we are informed that the said Subsidiary Company is in process of setting up the nomination and remuneration committee and the above excess managerial remuneration would be approved by the said committee in FY 22-23.

- 8) As stated on Note 38(a) consolidated financial statements, unsecured loans given by MMBPL (subsidiary company) to the holding company and RASPL [Redribbon Advisory Services Private Limited](subsidiary company) are approved by the board of directors of MMBPL, however, shareholders approval for the same is not obtained by MMBPL as per requirement of Section 185 & 186 of the Act in FY 2021-22 and the same is approved by the shareholders of MMBPL subsequent to year end. Further, as stated in Note 12.2 of consolidated financial statements, in respect of loan given by the MMBPL to the Company in which director is having control is not approved by the board of directors and shareholders of the MMBPL as per requirement of Section 185 & 186 of the Act in FY 2021-22, however, the same is approved by the board of directors and shareholders of MMBPL subsequent to year end.
- 9) As stated in note 38(b) of the consolidated financial statements, loan taken by Redribbon Advisory Services Private Limited (RASPL) (subsidiary company) from Modulex Modular Buildings Private Limited (MMBPL) (subsidiary company), director and relative of directors are approved by the board of directors, however, shareholders' approval for the same u/s 180 of the Act is not taken by the RASPL in FY 2021-22 and shareholders approval for the same is taken subsequent to year end.
- 10) As stated in note 49 of the consolidated financial statements, the Group has not maintained video recordings of the certain board meetings/ audit committee meetings which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013. We are informed by the management that it is due to technical glitches. However, signed physical board minutes and audit committee minutes of meetings have been maintained by the Group and we have relied on the same for our audit.

Our opinion is not modified in respect of above matters. Above matters as stated in point (5) above was also reported in the independent auditor report of the previous financial year ended 31<sup>st</sup> March 2021 and our opinion was not modified in respect of the said matter in the said previous financial year also.

### Key Audit Matters

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

Key Audit Matter	Auditor's Response
<p><b>Goodwill in respect of investments in subsidiaries (Modulex Modular Buildings Private Limited) having aggregate goodwill of Rs. 2,57,31,19,526/- and Redribbon Advisory Services Private Limited having aggregate goodwill of Rs. 3,91,47,157/-</b></p> <p>Management assesses whether there are indications of impairment of goodwill with respect to investments in subsidiaries as on the balance sheet.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach consisted of following audit procedures:</p> <ul style="list-style-type: none"> <li>• Inquiry and discussion with management</li> <li>• Obtain valuation report and relying on the appropriateness of the valuation report provided by the management for the fair value of shares of the subsidiary companies.</li> </ul>

Key Audit Matter	Auditor’s Response
<p><b>Investments in Compulsory Convertible Debentures (CCD’s) amounting to Rs 60.00 lakhs (excluding fair value adjustments under Ind AS)</b></p> <p>During the year, the Holding Company has made investment in 15% Compulsory Convertible Debentures. Management assesses whether there are indications of impairment and determines the recoverable amounts of the investments including the recording of the said amount.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach consisted of following audit procedures:</p> <ul style="list-style-type: none"> <li>• Inquiry from management</li> <li>• Obtaining valuation report and relying on the appropriateness of the valuation report provided by the management for the fair value of CCD’s.</li> <li>• Obtain and verified evidence of investments. Also refer point 2 of paragraph “Emphasis of Matters” in audit report.</li> </ul>

**Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon**

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Report on Corporate Governance and Business Responsibility Report, but does not include the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

When we read the Director’s report, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibility of Management for Consolidated Financial Statements**

The Holding Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective board of directors of the Companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were

operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

### **Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Further, as part of an audit in accordance with standards on auditing, the auditor exercises professional judgment and maintains professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

#### **Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit of the consolidated financial statements;
  - b) In our opinion proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books;
  - c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including Other comprehensive income), Consolidated Cash Flow statement and Consolidated Statement

of Changes in Equity dealt with by this Report are in agreement with the books of account maintained;

- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended applicable there to.
- e) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary companies, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in ‘Annexure B’.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has not paid any remuneration to its directors during the year.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has no pending litigations that affect its financial position in its consolidated financial statements;
  - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 45 and 45.3(v) of consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Holding Company or its subsidiary companies incorporated in India or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Note 45 and 45.3(vi) of consolidated financial statements, no funds have been received by the Holding Company or its subsidiary

companies incorporated in India from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (a) and (b) contain any material mis-statement.
- v. The Group has not declared or paid dividend during the year and hence, our reporting with respect to compliance with section 123 of the Act does not arises.

**For RMJ & Associates LLP**

**Chartered Accountants**

Firm Registration No: W100281

**Rakesh Upadhyaya**

Partner

Membership No.: 046271

**UDIN No.: 22046271AQZOAN3573**

Place: Mumbai.

Date: 5<sup>th</sup> September 2022

**Annexure A to the Independent Auditor’s report on the consolidated financial statements of Modulex Construction Technologies Limited for the year ended 31 March 2022 (Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

(xxi) According to the information and explanations given to us, and based on the CARO reports issued by us, we report that there are no qualifications or adverse remarks in the CARO reports of the companies included in the consolidated financial statements.

**For RMJ & Associates LLP**

**Chartered Accountants**

Firm Registration No: W100281

**Rakesh Upadhyaya**

Partner

Membership No.: 046271

**UDIN No.: 22046271AQZOAN3573**

Place: Mumbai.

Date: 5<sup>th</sup> September 2022

**Annexure B to the Independent Auditor’s report on the consolidated financial statements of Modulex Construction Technologies Limited for the year ended 31 March 2022 (Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **Modulex Construction Technologies Limited** (hereinafter referred to as the “**the Company**” or “**the Holding Company**”) and its subsidiary companies, which are companies incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

The respective Boards of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”) and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India

**Meaning of Internal Financial Controls over Financial Reporting**

A Holding Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Emphasis of Matters**

- 1) As stated in point 1 of Emphasis of Matters in audit report, the Holding Company has received whistleblower complaint with respect conducting the board meeting for approval of proposed rights issues of equity shares of the Holding Company. Based on the complaint of the claimant, the said matter was raised by the statutory auditor to the audit committee and also submitted its report to the central government subsequent to year end in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. Subsequent to year end, the Holding Company has appointed an independent third party to investigate the matter. Based on the investigation report submitted by the third party which is also approved by the audit committee of the holding company in meeting dated 2nd September 2022, allegation in whistleblower complaint are baseless and we have relied on the said investigation report.
- 2) As stated in point 2 of Emphasis of Matters in audit report, in the current year, the Holding Company has made the investment of Rs 60.00 Lakhs(excluding fair value adjustment under Ind AS) in Compulsory Convertible Debentures of Give Vinduet Windows & Doors Private Limited (the Company in which directors are having interest). The same has been approved by the board of directors of the Holding Company, however, the shareholder's approval for the same is not obtained as per requirement of Section 186 of the Act. We are informed by the management that the Holding Company will regularize the said transaction by taking approval of the shareholders in next meeting.
- 3) As stated in point 7 of Emphasis of Matters in audit report, regarding excess managerial remuneration to directors of the Subsidiary Company (MMBPL) aggregating Rs. 116 lakhs for FY 20-21 & Rs. 117.25 lakhs for FY 21-22 than prescribed under section 197 of Act. Subsequent to year end, the Board of directors and shareholders have approved the above excess remuneration payable to directors and waived recovery of said excess managerial remuneration. Further, we are informed that the said Subsidiary Company is in process of setting up the nomination and remuneration committee and the above excess managerial remuneration would be approved by the said committee in FY 22-23.

- 4) As stated in point 8 of Emphasis of Matters in audit report, unsecured loans given by MMBPL (subsidiary company) to the holding company and RASPL (subsidiary company) are approved by the board of directors of MMBPL, however, shareholders approval for the same is not obtained by MMBPL as per requirement of Section 185 & 186 of the Act in FY 2021-22 and the same is approved by the shareholders of MMBPL subsequent to year end. Further, in respect of loan given by the MMBPL to the Company in which director is having control is not approved by the board of directors and shareholders of MMBPL as per requirement of Section 185 & 186 of the Act in FY 2021-22, however, the same is approved by the board of directors and shareholders of MMBPL subsequent to year end.
- 5) As stated in point 9 of Emphasis of Matters in audit report, loan taken by Redribbon Advisory Services Private Limited (RASPL) (subsidiary company) from Modulex Modular Buildings Private Limited (MMBPL) (subsidiary company), director and relative of directors are approved by the board of directors, however, shareholders' approval for the same u/s 180 of the Act is not taken by the RASPL in FY 2021-22 and shareholders approval for the same is taken subsequent to year end.
- 6) As stated in point 10 of Emphasis of Matters in audit report, the Group has not maintained video recordings of the certain board meetings/ audit committee meetings which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013. We are informed by the management that it is due to technical glitches. However, signed physical board minutes of meeting has been maintained by the Group and we have relied on the same for our audit.

Our opinion is not modified in respect of above matters.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matters**

The respective companies in the group have appointed chartered accountant for testing of control / process with respect to internal financial control over financial reporting which has expressed unmodified opinion.

### **For RMJ & Associates LLP**

#### **Chartered Accountants**

Firm Registration No: W100281

### **Rakesh Upadhyaya**

#### **Partner**

Membership No. 046271

**UDIN No.: 22046271AQZOAN3573**

Place: Mumbai

Date: 5<sup>th</sup> September 2022

**Modulex Construction Technologies Limited**  
**(CIN: L45100PN1973PLC182679)**  
**CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2022**

(Amount (Rs) in Lakhs)

Particulars	Note No	As at 31st March 2022	As at 31st March 2021
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	5.81	7.25
Other Intangible Assets	5	-	0.49
Right of Use assets	5	693.10	703.16
Goodwill on Consolidation	6	26,122.67	26,122.67
Capital work in progress	5.1	3,247.17	2,678.75
<u>Financial assets:</u>			
Investments	7	76.43	1.00
Loans and Advances	8	129.89	78.19
Other non-current assets	9	409.81	734.43
		<b>30,684.88</b>	<b>30,325.95</b>
<b>Current assets</b>			
<u>Financial assets:</u>			
Cash and cash equivalents	10	31.61	10.54
Bank balances other than cash and cash equivalents	11	5.00	5.00
Loans and Advances	12	0.50	-
Other financial assets	13	8.97	12.13
Other current assets	14	43.46	37.19
		<b>89.54</b>	<b>64.85</b>
<b>Asset held for disposal</b>	50	<b>3.04</b>	-
<b>TOTAL</b>		<b>30,777.46</b>	<b>30,390.80</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	15	5,069.11	5,069.11
Other equity	16	21,677.58	22,459.63
Non Controlling interest	17	89.42	(6.94)
		<b>26,836.11</b>	<b>27,521.80</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<u>Financial liabilities</u>			
Borrowings	18	192.50	192.50
Other financial liabilities	19	80.61	48.54
Provisions	20	35.20	28.87
		<b>308.31</b>	<b>269.91</b>

**Modulex Construction Technologies Limited**  
(CIN: L45100PN1973PLC182679)  
**CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2022**

(Amount (Rs) in Lakhs)

Particulars	Note No	As at 31st March 2022	As at 31st March 2021
<b>Current Liabilities</b>			
<u>Financial liabilities</u>			
Borrowings	21	1,614.27	860.54
Lease liabilities	5.4	396.16	396.16
Trade payables	22		
Payable to micro enterprises and small enterprises		20.35	31.40
Payable to others		102.27	49.38
Other financial liabilities	23	976.84	908.41
Other current liabilities	24	404.98	335.75
Provisions	25	21.76	17.44
		<b>3,536.63</b>	<b>2,599.08</b>
<b>Liabilities held for disposal</b>	50	<b>96.41</b>	<b>-</b>
<b>TOTAL</b>		<b>30,777.46</b>	<b>30,390.80</b>
<b>Significant Accounting Policies</b>			
<b>The accompanying notes form an integral part of the Consolidated financial statements.</b>			

As per our report of even date attached

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

**For and on behalf of the Board of**  
**Modulex Construction Technologies Limited**  
**(CIN :L45100PN1973PLC182679)**

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

**Suchit Punnose**  
Director  
(DIN 02184524)

**Ajay Palekar**  
Managing Director  
(DIN 02708940)

**Mahendra Kumar Bhurat**  
Chief Financial Officer  
(PAN AJIPB3300M)

**Bhoomi Mewada**  
Company Secretary  
(M.No. A34561)

**Place: Mumbai**  
**Date : 05<sup>th</sup> September, 2022**

**Date : 02<sup>nd</sup> September, 2022**

**Modulex Construction Technologies Limited**  
(CIN: L45100PN1973PLC182679)

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022**  
(Amount (Rs) in Lakhs)

Particulars	Notes	Year ended 31st March 2022	Year ended 31st March 2021
<b>INCOME</b>			
Revenue from operations	25A	-	-
Other income	26	30.16	23.95
<b>TOTAL INCOME (I)</b>		<b>30.16</b>	<b>23.95</b>
<b>EXPENSES</b>			
Employee benefits expense	27	225.73	228.18
Finance costs	28	286.98	213.66
Depreciation	29	14.24	12.78
Other expenses	30	308.56	216.47
<b>TOTAL EXPENSES (II)</b>		<b>835.51</b>	<b>671.08</b>
<b>(Loss) before tax (I - II)</b>		<b>(805.35)</b>	<b>(647.13)</b>
<b>Tax expense</b>			
Current tax		-	-
short / (excess) of tax provision pertaining to earlier years		3.93	4.08
Deferred tax	42	-	-
<b>(Loss) after tax for the year</b>		<b>(809.28)</b>	<b>(651.22)</b>
<b>(Loss) for the year</b>		<b>(809.28)</b>	<b>(651.22)</b>
<b>Attributable to</b>			
Owners of the Company		(804.52)	(647.32)
Non-Controlling Interest		(4.76)	(3.89)
<b>Other Comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans (Net)		1.41	(0.82)
<b>Other comprehensive income for the year (net of tax)</b>		1.41	(0.82)
<b>Total comprehensive income for the year (net of tax)</b>		<b>(810.69)</b>	<b>(650.40)</b>
<b>Attributable to</b>			
Owners of the Company		(809.82)	(641.31)
Non-Controlling Interest		(0.88)	(9.09)
<b>Earnings per equity share Nominal value of share Rs.10 each</b>	31		
<b>(Previous year: Rs 10 each)</b>			
: Basic		(1.60)	(1.28)
: Diluted		(1.60)	(1.28)
<b>Significant Accounting Policies</b>			
<b>The accompanying notes form an integral part of the Consolidated financial statements.</b>			

As per our report of even date attached

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

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

**Place: Mumbai**  
**Date : 05<sup>th</sup> September, 2022**

**For and on behalf of the Board of**  
**Modulex Construction Technologies Limited**  
(CIN :L45100PN1973PLC182679)

**Suchit Punnose**  
Director  
(DIN 02184524)

**Mahendra Kumar Bhurat**  
Chief Financial Officer  
(PAN AJJPB3300M)  
**Date : 02<sup>nd</sup> September, 2022**

**Ajay Palekar**  
Managing Director  
(DIN 02708940)

**Bhoomi Mewada**  
Company Secretary  
(M.No. A34561)

**Modulex Construction Technologies Limited**  
(CIN: L45100PN1973PLC182679)

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2022**

(Amount (Rs) in Lakhs)

<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 31st March 2022</b>	<b>Year ended 31st March 2021</b>
<b>A.</b>	<b>Cash Flow From Operating Activities</b>		
	Net loss before tax	(805.35)	(647.13)
	<b>Adjustments for Non-Cash and Non-Operating Items :</b>		
	Depreciation and Amortisation	14.24	12.78
	Interest income on deposit, investment and Income tax refund	(7.41)	(16.08)
	Gain on financial instruments at fair value through profit and loss	(15.43)	-
	Liabilities no longer required written back	(7.17)	(0.57)
	Finance Cost	286.98	213.66
	<b>Operating Profit before Working Capital Charges</b>	<b>(534.15)</b>	<b>(437.34)</b>
	<b>Movement in working capital:</b>		
	(Increase) / Decrease in current and non current assets	14.06	244.63
	Increase / (Decrease) in current and non current liabilities	92.42	150.46
	<b>Net Cash Generated from Operating Activities</b>	<b>(427.67)</b>	<b>(42.25)</b>
	Income Tax paid (Net of Refund)	(0.25)	(1.34)
	<b>Net Cash Flow (Used in) Operating Activities (A)</b>	<b>(427.92)</b>	<b>(43.59)</b>
	<b>B. Cash Flow From Investing Activities</b>		
	Interest Received on Fixed Deposit	0.45	(0.16)
	Interest Received on Compulsory Convertible Debenture	2.30	-
	Investment in 15% Compulsory Convertible Debenture	(60.00)	16.08
	Unsecured Loan given to Company in which Directors are interested	(47.00)	-
	Derecognition of investment in equity shares of subsidiary (RRASPL)	125.00	-
	Recognition of property, plant and equipment Including capital work in progress (Net of Capital advances and Capital creditors)	(342.38)	-
	<b>Net Cash (Used in) / generated from Investing Activities (B)</b>	<b>(321.63)</b>	<b>15.93</b>

**Modulex Construction Technologies Limited**  
(CIN: L45100PN1973PLC182679)

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)**  
(Amount (Rs) in Lakhs)

<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 31st March 2022</b>	<b>Year ended 31st March 2021</b>
	<b>C. Cash Flow From Financing Activities</b>		
	Proceeds from unsecured borrowings from Company in which Directors are interested	969.62	241.01
	Interest Paid	(38.91)	(213.66)
	Repayment of borrowings to related parties	(156.78)	-
	Payment of secured loan (car)	(3.31)	-
	<b>Net Cash Flow generated from Financing Activities (C)</b>	<b>770.62</b>	<b>27.35</b>
	<b>Net Increase/ (Decrease) in cash and other equivalents (A+B+C)</b>	<b>21.08</b>	<b>(0.31)</b>
	<b>Reconciliation of Cash and Cash Equivalents with the Balance Sheet</b>		
	Cash & Cash Equivalent at the beginning of the year	10.54	10.85
	Cash & Cash Equivalent at the end of the year	31.61	10.54
	<b>Net Increase/ (Decrease) in cash and other equivalents</b>	<b>21.08</b>	<b>(0.31)</b>

**Notes:**

- 1 Consolidated Cash flow statement has been prepared under the indirect method as set out in IND AS 7: “Statement of Cash Flows” notified under section 133 of the Act.
- 2 Figures in the brackets indicates Cash Outflow.
- 3 Previous years figures have been regrouped / reclassified wherever applicable.
- 4 Refer note 46 for Changes in financing liabilities

As per our report of even date attached

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

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

**Place: Mumbai**  
**Date : 05<sup>th</sup> September, 2022**

**For and on behalf of the Board of**  
**Modulex Construction Technologies Limited**  
**(CIN :L45100PN1973PLC182679)**

**Suchit Punnose**  
Director  
(DIN 02184524)

**Ajay Palekar**  
Managing Director  
(DIN 02708940)

**Mahendra Kumar Bhurat**  
Chief Financial Officer  
(PAN AJIPB3300M)

**Bhoomi Mewada**  
Company Secretary  
(M.No. A34561)

**Date : 02<sup>nd</sup> September, 2022**

**Modulux Construction Technologies Limited**  
(CIN: L45100PN1973PLC182679)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022**

**(a) Equity Share Capital** (Amount (Rs) in Lakhs)

Particulars	Number of Shares	Amount
<b>As at 31 March 2020</b>	5,13,03,040	5130.30
Less: Shares of the Holding Company held by Subsidiary (RRASPL)	6,11,929	61.19
Add : Issue of equity share capital	-	-
<b>As at 31 March 2021</b>	<b>5,06,91,111</b>	<b>5069.11</b>
<b>As at 1 April 2021</b>	<b>5,13,03,040</b>	<b>5130.30</b>
Add : Issue of equity share capital	-	-
Less: Shares of the Holding Company held by Subsidiary (RRASPL)	6,11,929	61,19,290
<b>As at 31.03.2021 (Excluding group holding)</b>	<b>5,06,91,111</b>	<b>5069.11</b>
<b>As at 31.03.2022 (Excluding group holding)</b>	<b>5,06,91,111</b>	<b>5069.11</b>

**(b) Other Equity**

Particulars	Reserves & Surplus				Other Reserves Transaction Cost on the Equity Instruments	Total	Non- controlling interest
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings			
<b>As at 1 April 2020</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(5,312.25)</b>	<b>(119.05)</b>	<b>23,082.55</b>	<b>20.55</b>
Total loss for the year	-	-	-	(647.32)	-	(647.32)	(3.89)
Other Comprehensive Income	-	-	-	6.01	-	6.01	(5.20)
Effects of changes in Interest in existing Subsidiary (RRASPL)	-	-	-	18.39	-	18.39	18.39
<b>Total comprehensive income for the year</b>	-	-	-	<b>(622.92)</b>	-	<b>(622.92)</b>	
<b>As at 31 March 2021</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(5,935.17)</b>	<b>(119.05)</b>	<b>22,459.63</b>	<b>(6.94)</b>
<b>As at 1 April 2021</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(5,935.17)</b>	<b>(119.05)</b>	<b>22,459.63</b>	<b>(6.94)</b>
Total loss for the year	-	-	-	(804.52)	-	(804.52)	(4.76)
Other Comprehensive Income	-	-	-	(5.29)	-	(5.29)	3.88
Effects of changes in Interest in existing Subsidiary (RRASPL) (Refer Note 51)	-	-	-	27.77	-	27.77	97.23
<b>Total comprehensive income for the year</b>	-	-	-	<b>(782.05)</b>	-	<b>(782.05)</b>	<b>89.42</b>
<b>As at 31 March 2022</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(6,717.22)</b>	<b>(119.05)</b>	<b>21,677.58</b>	<b>89.42</b>

**Significant Accounting Policies**

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

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

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

**Place: Mumbai**  
**Date : 05<sup>th</sup> September, 2022**

**For and on behalf of the Board of**  
**Modulux Construction Technologies Limited**  
(CIN :L45100PN1973PLC182679)

**Suchit Punnose**  
Director  
(DIN 02184524)

**Mahendra Kumar Bhurat**  
Chief Financial Officer  
(PAN AJIPB3300M)  
**Date :02<sup>nd</sup> September, 2022**

**Ajay Palekar**  
Managing Director  
(DIN 02708940)

**Bhoomi Mewada**  
Company Secretary  
(M.No. A34561)

## Notes to Consolidated Financial Statements for the year ended 31st March 2022

### 1. Corporate information

Modulex Construction Technologies Limited (“the Company or the Holding Company”) is a Company registered under the Companies Act, 1956. The Holding Company was incorporated on 24<sup>th</sup> May, 1973 with CIN of the Company is L45100PN1973PLC182679. It was originally incorporated with the name, “Tumus Electric Corporation Limited”. Its name has changed to, “Modulex Construction Technologies Limited” with effect from 14<sup>th</sup> December, 2018. The Holding Company is primarily engaged in production, building, supplying, fabricating and manufacture of modular steel buildings and currently project is being implemented at Pune, Maharashtra.

The Board of Directors of Holding Company approved the Consolidated Financial Statements for the year ended March 31, 2022 on 02<sup>nd</sup> September, 2022.

### 2. Basis of preparation and presentation of Consolidated Financial Statements

#### 2.1 Statement of Compliance

The Consolidated Financial Statements of the Holding Company and its subsidiaries (“the Group”) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. Further, these Consolidated Financial Statements have been presented as per requirements of Division II of Schedule III to the Act, (Ind AS compliant Schedule III), as amended from time to time.

#### 2.2 Basis of Measurement

These Consolidated Financial Statements have been prepared on the historical cost basis except for certain assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

#### 2.3 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group’s voting rights and potential voting rights
- The size of the group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

## 2.4 Principal of Consolidation

The Group consolidates entities which it controls. The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries:

- Modulex Construction Technologies Private Limited (“The Company” or “the Holding Company”)
- Modulex Modular Building Private Limited (“Subsidiary”)[% of holding as on 31<sup>st</sup> March 2022: 99.81% (As on 31<sup>st</sup> March 2021: 99.81%)]
- Redribbon Advisory Services Private Limited (“Sub-subsidiary”)[% of holding as on 31<sup>st</sup> March 2022: 60.68% (As on 31<sup>st</sup> March 2021: 86.77%)]

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

The financial statements of the Subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Holding Company, i.e. 31<sup>st</sup> March, 2022 (Previous year: 31<sup>st</sup> March 2021).

The excess of cost to the Group, of its investment in the subsidiaries over the Group’s share of equity is recognized in the consolidated financial statements as Goodwill and tested for impairment annually.

The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company’s separate financial statements.

Non-controlling interests in the Consolidated Financial Statements are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

## **2.5 Changes in Holding Company’s ownership interest in existing subsidiary or sub-subsidiary**

Changes in the Holding Company’s ownership interests in subsidiary or sub-subsidiary that do not result in the Holding losing control over the subsidiary or sub-subsidiary are accounted for as equity transactions. The carrying amounts of the Holding Company’s interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary or sub-subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Holding Company.

When the Holding Company loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest.

## **2.6 Use of significant accounting estimates, judgements & assumptions and key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Holding Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Holding Company. Such changes are reflected in the assumptions when they occur.

### **a) Fair Value measurements of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Consolidated balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Changes in judgements and assumptions could effect the reported fair value of consolidate financial instruments.

### **b) Contingencies**

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

### **c) Recognition of deferred tax asset**

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. Currently, the Group has not recognised the deferred tax on unused tax losses / unused tax credits. Any increase in probability of future taxable profit will result into recognition of unrecognised deferred tax assets.

**d) Measurement of defined benefit plan**

The present value of the gratuity obligation is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**e) Impairment of property, plant and equipment, Rights of use assets and Capital work in progress**

Assets that are subject to depreciation and amortization and other assets are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

**f) Property, plant & equipment and intangible assets**

The Group has estimated the useful life, residual value and method of depreciation / amortisation of property, plant & equipment and intangible assets based on its internal technical assessment. Property, plant & equipment and intangible assets represent a significant proportion of the asset base of the Group. Further the Group has estimated that scrap value of property, plant & equipment would be able to cover the residual value of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value and method of depreciation / amortisation are critical to the Group's financial position and performance.

**g) Assessment of COVID- 19impact**

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these Consolidated Financial Statements has used internal and external sources of information and economic forecasts. The Group has performed necessary analysis on the assumptions used and based on current estimates expects the carrying amount of its assets does not require any impairment. However, the impact of COVID-19 on the Company's Consolidated Financial Statements may differ from that estimated as at the date of approval of these consolidated financial statements, if any.

## 2.7 Measurement of Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – unobservable inputs for the asset or liability. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

For assets and liabilities that are recognised in the Consolidated Financial Statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting year.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

## 2.8 Functional and presentation of currency

The Consolidated Financial Statements are presented in Indian Rupees (INR) which is the functional currency of the Group and all values are rounded to the nearest lacs, except where otherwise indicated.

### 3. Significant Accounting policies

#### 3.1 Classification of Current and Non-current

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the schedule III to the Act. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, the Group has ascertained the operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

#### 3.2 Property, plant and equipment('PPE') and Depreciation

- a. Property, plant and equipment are stated at cost of acquisition / construction less accumulated depreciation and accumulated impairment losses, if any. Gross carrying amount of all property, plant and equipment are measured using cost model.
- b. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/ decommissioning of the asset.
- c. Cost of assets not ready for intended use, as on the Consolidated Balance Sheet date, is shown as capital work in progress. Capital work in progress is stated at cost, net of impairment losses, if any. Expenditure directly relating to construction phase is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent it is related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to Statement of Profit and Loss. Any incidental income arising directly in relation to the project is reduced from the project.
- d. Parts (major components) of an item of property, plant and equipments having different useful lives are accounted as separate items of property, plant and equipments.
- e. Subsequent expenditure related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- f. Property, plant& equipment are eliminated from consolidated financial statements either on disposal or when retired from active use. Assets held for disposal are stated at net realizable value. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant & equipment are recognized in the consolidated statement of profit and loss in the year of occurrence.
- g. **Depreciation**

Depreciation on property, plant and equipment (other than freehold land and capital work in progress) is provided on a written down value (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013. Assets

acquired under lease are depreciated on straight line basis over the shorter of the lease term and their useful lives.

Depreciation methods, useful lives and residual values are reviewed periodically, including at the end of each financial year and adjusted prospectively.

In case of assets purchased or derecognized during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been derecognized.

### **3.3 Intangible assets and amortization**

Intangible assets are stated at cost of development or consideration paid for acquisition less accumulated amortisation and accumulated impairment loss, if any. Intangible assets are recognised only if it is probable that the future economic benefits attributable to the asset will flow to the enterprise and the cost of asset can be measured reliably. Intangible assets comprise of Web designing and is amortised over its useful life which is presently estimated to be 5 years.

The useful lives and methods of amortisation of intangible assets are reviewed at each Consolidated balance sheet date and in case of any changes, effect of the same is given prospectively.

### **3.4 Impairment of Non Financial assets**

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation had no impairment loss been recognised in earlier years.

### **3.5 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **(a) Financial Assets:**

##### **I. Initial measurement:**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at

initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

## **II. Subsequent measurement:**

### **a. Financial assets at amortised cost**

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

### **b. Financial assets at fair value through other comprehensive income.**

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

### **c. Financial assets at fair value through profit or loss**

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

## **III. Derecognition**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

## **IV. Impairment:**

A financial assets is regarded as credit impaired or subject to significant increase in credit risk, when one or more events that may have detrimental effect on estimated future cash flow of the assets have occurred. The Group applies expected credit loss model recognizing impairment loss on financial assets. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

**(b) Financial Liabilities:**

**I. Initial recognition and measurement:**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**II. Subsequent measurement**

**a. Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to consolidated statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the consolidated statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

**b. Financial liabilities at amortized cost (Loans and Borrowings)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

**III. Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of

an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit and loss.

**(c) Compound financial instruments**

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

**(d) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**(e) Re-classification**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**3.6 Non-current assets held for sale**

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required

to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

### **3.7 Income Taxes**

#### **(a) Current tax:**

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

#### **(b) Deferred tax:**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Group has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Group re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

### **3.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of Cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the Consolidated Statement of cash flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Group's cash management, are also included as a component of Cash and cash equivalents.

### **3.9 Provisions, contingent liabilities and contingent assets**

#### **(a) Provisions:**

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

#### **(b) Contingency liability:**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **(c) Contingent assets:**

The Group does not recognize a contingent asset but discloses its existence in the consolidated financial statements if the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### **3.10 Revenue recognition**

The Group recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and it can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included and classified under the head “other income” in the consolidated statement of profit and loss.

### **3.11 Borrowing Costs**

Borrowing costs attributable to the acquisition of a qualifying asset are capitalized as part of the cost of the asset till the asset is ready for its intended use and borrowing costs are being

incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing cost includes interest expense incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

### **3.12 Leases**

#### **Group as a lessee**

The Group's lease asset classes primarily consist of leasehold land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

### **3.13 Employee Benefits**

#### **(a) Short term employee benefit**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss in the period in which the employee renders the related service.

#### **(b) Post-employment benefits**

##### **I. Defined Contribution Plan**

The defined contribution plan is post-employment benefit plan under which group contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The group's contribution to defined contribution plans are recognized in the Consolidated Statement of Profit and Loss in the period in which the employee renders the related service.

##### **II. Defined Benefit Plan**

The liability recognized in the consolidated balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit

obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bond and that have terms to maturity approximating to the terms of the related gratuity.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

### **3.14 Earnings per share ('EPS')**

Basic earnings per share are calculated by dividing the consolidated net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the consolidated net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **3.15 Consolidated Cash Flow Statement:**

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

## **4 Standards notified but not yet effective as at reporting date**

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

**(a) Ind AS 103 – Reference to Conceptual Framework**

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

**(b) Ind AS 16 – Proceeds before intended use**

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

**(c) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its consolidated financial statements.

**(d) Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.

**Notes To Consolidated Financial Statements For The Year Ended March 31, 2022**

**Note 5 : Property, Plant and Equipment including capital work in progress, Rights of use assets and intangible assets**

(Amount (Rs.) in lakhs)

Particulars	Computer	Vehicles	Office equipments and fixtures	Furniture and fixtures	Tangible Assets (total)	Leasehold Land	Leasehold improvement	Right to use Assets (total)	Intangible Assets (Web designing fee)
<b>As at 31.03.2020</b>	4.16	13.93	3.55	5.64	27.28	725.27	8.20	733.47	8.17
Additions	-	-	0.16	-	0.16	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>As at 31.03.2021</b>	<b>4.16</b>	<b>13.93</b>	<b>3.70</b>	<b>5.64</b>	<b>27.43</b>	<b>725.27</b>	<b>8.20</b>	<b>733.47</b>	<b>8.17</b>
Additions	2.52	-	-	-	2.52	-	-	-	-
Disposals	2.21	-	0.74	4.12	7.06	-	8.20	8.20	-
Transfer to non current assets held (refer Note 50 )	-	-	-	-	-	-	-	-	8.17
<b>As at 31.03.2022</b>	<b>4.47</b>	<b>13.93</b>	<b>2.96</b>	<b>1.53</b>	<b>22.89</b>	<b>725.27</b>	<b>-</b>	<b>725.27</b>	<b>-</b>

**Accumulated Depreciation**

<b>As at 31.03.2020</b>	3.31	9.58	2.44	2.19	17.52	14.95	5.64	20.59	7.28
Additions	0.40	1.03	0.34	0.90	2.67	8.10	1.61	9.71	0.40
Disposals	-	-	-	-	-	-	-	-	-
<b>As at 31.03.2021</b>	<b>3.71</b>	<b>10.61</b>	<b>2.78</b>	<b>3.09</b>	<b>20.19</b>	<b>23.05</b>	<b>7.26</b>	<b>30.30</b>	<b>7.68</b>
Additions	0.82	0.63	0.30	2.21	3.96	9.12	0.94	10.06	0.22
Disposals	2.21	0.00	0.74	4.12	7.06	-	8.20	8.20	-
Transfer to non current assets held (refer Note 50)	-	-	-	-	-	-	-	-	7.90
<b>As at 31.03.2022</b>	<b>2.32</b>	<b>11.23</b>	<b>2.35</b>	<b>1.18</b>	<b>17.08</b>	<b>32.17</b>	<b>-</b>	<b>32.17</b>	<b>-</b>

**Net Block**

<b>As at 31.03.2021</b>	0.45	3.32	0.92	2.56	7.25	702.22	0.94	703.16	0.49
<b>As at 31.03.2022</b>	<b>2.16</b>	<b>2.69</b>	<b>0.62</b>	<b>0.35</b>	<b>5.81</b>	<b>693.10</b>	<b>-</b>	<b>693.10</b>	<b>-</b>

<b>5.1 Capital Work in Progress (CWIP)</b>	<b>As on 31st March 2022</b>	<b>As on 31st March 2021</b>
<b>Balance at beginning of the year</b>	2678.75	2678.75
(+) Additions during the year	568.41	-
(-) Capitalized during the year	-	-
<b>Balance as at end of the year</b>	<b>3247.17</b>	<b>2678.75</b>

**5.2 (a) CWIP aging schedule:**

<b>Particulars</b>	<b>Amount in CWIP for a period of 2021-22</b>				<b>Total*</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
Projects in progress	568.41	-	26.24	2652.51	3247.17
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>568.41</b>	<b>-</b>	<b>26.24</b>	<b>2652.51</b>	<b>3247.17</b>

<b>Particulars</b>	<b>Amount in CWIP for a period of 2020-21</b>				<b>Total*</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	26.24	1048.70	1603.81	2678.75
<b>Total</b>	<b>-</b>	<b>26.24</b>	<b>1048.70</b>	<b>1603.81</b>	<b>2678.75</b>

**(b) For Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan:**

<b>Particulars</b>	<b>To be completed in</b>				<b>Total*</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
Project *	-	9369.00	-	-	9369.00
<b>Total</b>	<b>-</b>	<b>9369.00</b>	<b>-</b>	<b>-</b>	<b>9369.00</b>

\* Even though the Subsidiary is implementing the project shed wise above detail is given as one single project as the Subsidiary has prepared the budget as one single project only.

**5.3** In respect of Subsidiary (MMBPL), on account of multiple factors including delays in raising of resources from the banks and other regulatory issues which got accentuated due to outbreak of Covid-19 resulted into temporary suspension of construction activity at the project site at Indapur, Pune [which is taken on lease from MIDC (Maharashtra Industrial Development Corporation)]. The recommencement of the construction of the factory has been started in the current year and the same is making good progress. The management is in discussion with consortium of 3 banks for funding the project to the extent of Rs. 8,500 lakhs. Subsequent to year end, the management has received sanctioned letter from one of the Bank and is expecting the receipt of the sanctioned letters from other 2 banks. Considering the continued delay in construction of the project, the Subsidiary (MMBPL) has continued to incur losses during the year and current liabilities are greater than current assets.

The management is committed to complete the construction of the factory complex and promoters / shareholders are committed to provide necessary funds to the Subsidiary (MMBPL) as and when required. The management is expecting trial production to commenced in FY 22-23 and commercial production to be commenced in the FY 23-24.

Further, the Subsidiary (MMBPL) had received letter dated 12th August 2020 from MIDC asking the Subsidiary (MMBPL) to vacate the above project site due to delay in construction work / delay in payment of premium charges. The Subsidiary vide letter dated 13th August 2020 had replied to the said notice and requested for more time to make payment of outstanding premium charges. Further, the Subsidiary (MMBPL) vide letter dated 24th September 2021 has requested extension of time for construction work for additional re-allotment fees of Rs. 810 lakhs. The Subsidiary (MMBPL) is confident of receipt of extension letter from MIDC for construction of work. Outcome of additional liability payable to MIDC (including interest for delay in payment of premium, if any) would be determined based on the decision of MIDC and pending this decision, additional liability has been disclosed under contingent liabilities in the Consolidated financial statements (Refer Note 35.1). Considering the recommencement of construction work during the year, commitment from the shareholders / promoters to infuse the funds for execution of the project, the management expectation for receipt of extension letter from MIDC for construction work as well as future business prospect of the Subsidiary (MMBPL), in the opinion of the management, there is no impairment of property, plant and equipment and capital work in progress as on date and the same has been relied upon by the auditors.

#### 5.4 Lease liabilities

The movement in lease liabilities during the years ended 31st March, 2022 and 31 March, 2021 is as follows :

Particulars	As on 31st March 2022	As on 31st March 2021
<b>Balance at beginning of the year</b>	396.16	396.16
(+) Additions during the year	-	-
(-) Payment during the year	-	-
<b>Balance as at end of the year</b>	<b>396.16</b>	<b>396.16</b>

5.5 The gross block of motor vehicle amounting to Rs of Rs 27.44 lakhs (31st March 2021: 27.44 lakhs) is hypothecated / mortgaged against the bank for vehicle loan.

**Note 6 : Goodwill on Consolidation**
**(Amount (Rs) in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Goodwill on Consolidation	26,122.67	26,122.67
<b>Total</b>	<b>26,122.67</b>	<b>26,122.67</b>

**Note:**

- 6.1 The fair value of shares carried out by the independent Valuer is sufficient to cover the goodwill. Considering the same and management outlook for improvement in the performance of the subsidiary companies in the long run, in the opinion of management, no impairment is required for goodwill.

**Note 7 : Investments**

Particulars	As at March 31, 2022	As at March 31, 2021
<b><u>Investment in equity shares of Companies where directors are same or interested:</u></b>		
<b><u>- Unquoted fully paid up and carried at Fair value through profit and loss</u></b>		
Give Vinduet Windows and Doors Pvt. Ltd. - 9,999 (Previous year: 9,999) Equity shares of Rs. 10 (Previous year: Rs 10), fully paid up	1.25	1.00
<b><u>- Unquoted partly up and carried at Fair value through profit and loss</u></b>	0.10	0.10
<b><u>Eco Hotels India Private Limited (Fellow associate)</u></b>		
1,04,375 (Previous year: 1,04,375) equity Shares of Eco Hotels India Private Limited of Rs 10 each, 0.10 partly paid up per share (Previous year: Rs 10 each, 0.10 partly paid up per share)		
Less : Provision for Impairment of investment	(0.10)	(0.10)
<b><u>Investments in Preference shares (fully paid up)</u></b>		
2. Eco Hotels India Private Limited		
23,00,000 (As at 31st March 2021: 23,00,000) Preference Shares of Rs. 10, (As at 31st March 2021: Rs. 10), fully paid up	230.00	230.00
Less :- Impairment in the value of investments	(230.00)	(230.00)
Other investments - Fair value through profit and loss		
-Unquoted Compulsory Convertible Debentures, fully paid up		
15% Compulsory Convertible Debenture of Give Vinduet Windows & Doors Private Limited. *		
(As on 31st March 2022 - 6,00,000 debentures of Rs. 10 each)	75.18	-
(As on 31st March 2021 - Nil)		
<b>Total</b>	<b>76.43</b>	<b>1.00</b>

(Amount (Rs) in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments (at original cost)	291.10	231.10
Market value of quoted investments	-	-
Aggregate amount of impairment in the value of investment	230.10	230.10

\* Convertible in the equity shares in the ratio of 1:1

7.1 Investments in Compulsory Convertible Debentures of Give Vinduet Windows & Doors Private Limited aggregating to Rs. 60 lakhs (excluding fair value adjustment under Ind AS) is approved by the board of directors of the Holding Company, however, the shareholders approval for the same is not obtained as per the requirement of Section 186 of the Companies Act 2013. The same will be regularize by taking approval of the shareholders in next meeting.

**Note 8 : Loans and Advances (Non Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, Considered good, measured at amortised cost</b>		
Capital Advances	129.89	78.19
<b>Total</b>	<b>129.89</b>	<b>78.19</b>

**Note 9 : Other Non Current Assets**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
Advance tax (Net of provision for tax)	13.80	10.04
Balance with Government authorities	210.26	502.91
Unamortised License / Royalty Fees	185.75	221.48
<b>Total</b>	<b>409.81</b>	<b>734.43</b>

**Note:**

9.1 Balances with government authorities includes Input Tax Credit on GST for financial years 73,99,260/- on reverse charge basis. The same could not be paid by Subsidiary (MMBPL) pending the financial closure and hence shall be availed of in the month of the said GST payment on reverse charge basis.

9.2 In respect of Subsidiary (MMBPL), in the previous year GST input credit as per books was higher by Rs. 151.49 lakhs than the aggregate of the GST Input Credit availed as per GST returns submitted. A substantial portion of the said difference of Rs. 120.46 lakhs was a mere technical irregularity on account of vendor concerned and Rs. 31.03 lakhs is on account of non-deposit /delayed deposits by the vendors concerned. In the opinion of the management and tax consultant of the said Subsidiary, the said input credit would be available after rectification at GST portal / payment by vendor. Pending

this, the said aggregate amount of Rs.151.49 lakhs was disclosed under contingent liabilities in the previous year (Refer Note 35.1).

In the current year, out of the above, GST input credit aggregating to Rs. 120.15 is capitalized in the books (as the input credit for the same is not available) and the said Subsidiary is still following up with the vendor for net balance of Rs. 31.34 lakhs for necessary payment / rectification at GST portal. This is also supported by the opinion of tax consultant of the said Subsidiary. Pending this, Rs. 31.34 lakhs has been disclosed under contingent liabilities in the current year (Refer Note 35.1).

**Note 10 : Cash and cash equivalents**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Cash on hand	0.43	1.19
Cheque / draft in hand	-	-
<b><u>Balance with bank:</u></b>		
- In Current accounts	31.19	9.35
<b>Total</b>	<b>31.61</b>	<b>10.54</b>

**Note 11 : Bank balances other than cash & cash equivalents**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b><u>In Fixed Deposit with Bank of India</u></b>		
(Maturity less than Twelve months) (Refer Note 11.1 below)	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

**Note:**

11.1 The fixed deposit held by the Holding Company carries in its erstwhile name “Tumus Electric Corporation Limited”.

**Note 12 : Loans and Advances (Current)**

**(Amount (Rs) in Lakhs)**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>(Unsecured, considered good unless otherwise stated)</b>		
Interest receivable from related party (Eco Hotels India Private Limited) (Refer Note 12.1 and 12.2)	0.50	-
<b>Total</b>	<b>0.50</b>	<b>-</b>

**Note:**

12.1 The above interest receivable is from the Company in which Directors are interested.

12.2 In case of loan to the Company in which director is having control (Eco Hotels India Private Limited) is not approved by the board of directors and shareholders of Subsidiary (MMBPL) as per requirement of Section 185 & 186 of the Companies Act 2013 in FY 2021-22. The same is approved by the board / shareholders subsequent to year end.

**Note 13 : Other financial assets**

(Amount (Rs) in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, Considered good, measured at amortised cost</b>		
<b>Interest receivable on:</b>		
Fixed deposit	0.08	0.08
Compulsory Convertible Debentures	4.04	-
Security Deposit	4.85	12.05
<b>Total</b>	<b>8.97</b>	<b>12.13</b>

**Note 14 : Other current assets**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Prepaid Expenses	7.56	0.87
Other Receivable	0.08	0.17
Advance to Vendors	-	0.12
Advance to employees	0.09	0.30
Unamortised License / Royalty Fees	35.73	35.73
<b>Total</b>	<b>43.46</b>	<b>37.19</b>

**Note 15 : Equity Share Capital**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount (Rs)	Number of Shares	Amount (Rs)
<b>Authorised Share Capital</b>				
Cumulative Redeemable Pref Shares of Rs 10/- each (Previous year: Rs 10/- each)	50,000	5.00	50,000	5.00
Equity Shares of Rs 10/- each (Previous year: Rs 10/- each)	7,29,50,000	7,295.00	7,29,50,000	7,295.00
	<b>7,30,00,000</b>	<b>7,300.00</b>	<b>7,30,00,000</b>	<b>7,300.00</b>
<b>Issued, Subscribed and Fully Paid Up</b>				
<b>Issued</b>				
Paid Up Capital Equity Shares of Rs 10/- each (Previous year: Rs 10/- each)	5,13,03,040	5130.30	5,13,03,040	5130.30
<b>Subscribed</b>				
Paid Up Capital Equity Shares of Rs 10/- each (Previous year: Rs 10/- each)	5,13,03,040	5130.30	5,13,03,040	5130.30
Shares held by Subsidiary Company	(6,11,929)	(61.19)	(6,11,929)	(61.19)
	<b>5,06,91,111</b>	<b>5069.11</b>	<b>5,06,91,111</b>	<b>5069.11</b>

**a) Reconciliation of shares outstanding at the beginning and at the end of the period**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (In Rs)	No. of Shares	Amount (In Rs)
<b>Equity Shares</b>				
At the beginning of the year	5,13,03,040	5130.30	5,13,03,040	5130.30
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,13,03,040</b>	<b>5130.30</b>	<b>5,13,03,040</b>	<b>5130.30</b>
Less: Shares held by Subsidiary Company	6,11,929	61.19	6,11,929	61.19
<b>Outstanding at the end of the year (Excluding Group Holdings)</b>	<b>5,06,91,111</b>	<b>5069.11</b>	<b>5,06,91,111</b>	<b>5069.11</b>

**b) Terms / rights attached to equity shares**

The Holding Company has only one class of equity shares of Rs. 10/- each. These shares rank pari passu with each other and in accordance with the Articles of Association of the Company. Each equity shareholder is entitled to the same rights as regards voting, dividend and repayment of capital in proportion to his shareholding and there are no restrictions to the rights of shareholders. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive any of the remaining assets after distribution of all preferential amounts. The distribution assets of the Holding Company will be in proportion to the number of equity shares held by the shareholders after preferential allocation.

**c) Details of Shareholders holding more than 5% shares in the company:**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Share	% holding	Number of Share	% holding
Red Ribbon Modulex Buildings Ltd	1,06,84,526	21.08%	1,06,84,526	21.08%
Providence Educational Academy Pvt Ltd	-	0.00%	54,51,853	10.76%
JZ MODY Family Private Limited	54,51,853	10.76%	-	0.00%
Ajmera Realty and Infra India Ltd.	37,25,809	7.35%	37,25,809	7.35%
Synthite Industries Pvt Ltd.	4,20,377	0.83%	32,43,096	6.40%
Ethix Realtors Private Limited	25,91,427	5.11%	29,75,499	5.87%

**d) For the period of five years immediately preceding the date at which the Balance Sheet is prepared-**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Share	Amount (Rs)	Number of Share	Amount (Rs)
Equity Shares Issued under shares swap basis (Refer Note 1 below)	5,00,17,765	5,001.78	5,00,17,765	5,001.78

In the year 2019-20, the Holding Company had issued its own 84,45,579 fully paid equity shares against 1,13,59,322 fully paid equity shares of Subsidiary (MMBPL) in terms of swap ratio approved by Bombay Stock Exchange (BSE).

**e) Disclosure of Shares held by Promoters:-**

Name of Promoter	As at 31st March 2022			As at 31st March 2021		
	No of Shares	% of Total Shares	% of Change during the year	No of Shares	% of Total Shares	% of Change during the year
Suchit Punnose	18,92,489	3.73%	-	18,92,489	3.73%	-
Redribbon Modulex Buildings Limited (MU)	1,06,84,526	21.08%	-	1,06,84,526	21.08%	-
<b>Total</b>	<b>1,25,77,015</b>	<b>24.81%</b>	<b>-</b>	<b>1,25,77,015</b>	<b>24.81%</b>	

**Note 16 : Other Equity**
**(Amount (Rs) in Lakhs)**

Particulars	Reserves & Surplus				Other Reserves	Total
	Capital Reserve (i)	General Reserve (ii)	Securities Premium (iii)	Retained Earnings (iv)	Transaction Cost on the Equity Instruments (v)	
<b>As at 1 April 2020</b>	97.45	(85.42)	28,501.81	(5,312.25)	(119.05)	23,082.55
Loss for the year	-	-	-	(647.32)	-	(647.32)
Other comprehensive income for the year	-	-	-	6.01	-	6.01
Effects of changes in Interest in existing Subsidiary (RRASPL)	-	-	-	18.39	-	18.39
<b>Total comprehensive income for the year</b>	-	-	-	<b>(622.92)</b>	-	<b>(622.92)</b>
<b>As at 31 March 2021</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(5,935.17)</b>	<b>(119.05)</b>	<b>22,459.63</b>

<b>As at 1 April 2021</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(5,935.17)</b>	<b>(119.05)</b>	<b>22,459.63</b>
Loss for the year	-	-	-	(804.52)	-	(804.52)
Other comprehensive income for the year	-	-	-	(5.29)	-	(5.29)
Effects of changes in Interest in existing Subsidiary (RRASPL) (Refer Note 51)	-	-	-	27.77	-	27.77
<b>Total comprehensive income for the year</b>	-	-	-	<b>(782.05)</b>	-	<b>(782.05)</b>
<b>As at 31 March 2022</b>	<b>97.45</b>	<b>(85.42)</b>	<b>28,501.81</b>	<b>(6,717.22)</b>	<b>(119.05)</b>	<b>21,677.58</b>

**Nature and purpose of reserves:**
**i) Share Premium**

Securities premium is created due to shares being issued on premium. The reserve can be utilised only for certain purpose as per the provisions of the Companies Act, 2013.

**ii) Capital Reserve**

The capital reserve is created from capital profits in the earlier years.

**iii) General Reserve**

General reserve is transfer of profits from retained earnings for appropriation purposes.

**iv) Retained earning**

The retained earnings represents balance of accumulated net profit or loss from business operations.

**v) Transaction Cost on the Equity Instruments**

This reserve represents the transaction cost incurred for issue of equity share capital and recognised due to Ind AS adjustment.

**Note 17 : Non Controlling Interest**

**(Amount (Rs) in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Modulex Modular Buildings Private Limited (Subsidiary)	0.03	0.04
Redribbon Advisory Services Private Limited ( Subsidiary)	89.39	(6.98)
<b>Total</b>	<b>89.42</b>	<b>(6.94)</b>

**Note 18 : Borrowings (Non-current)**

**(Amount (Rs) in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured Loan (carried at amortised cost):</b>		
<b>Loans from related parties (Refer note 1 below)</b>		
-Give Vinduet Windows & Door Private Limited (Company in which directors are interested)	190.58	190.58
-Director	1.92	1.92
<b>Total</b>	<b>192.50</b>	<b>192.50</b>

**Note:**

The loans are obtained at interest rates where the details are given below:

Name of Party	Rate of interest (%)	
	31st March 2022	31st March 2021
Give Vinduet Windows & Door Private Limited	7.37	7.37
Suchit Punnose	7.37	7.37

The above unsecured loans (including interest thereon) are repayable which commences from financial year 2023-24 and repayable by 2024-25.

**Note 19 : Other financial liabilities (Non-current)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Carried at Amortised cost</b>		
Interest accrued but not due on borrowings	80.61	48.54
<b>Total</b>	<b>80.61</b>	<b>48.54</b>

**Note 20 : Provisions (Non-current)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Employee benefits</b>	15.20	28.87
- Gratuity		
<b>Others</b>		
Provision for decommissioning cost	20.00	-
<b>Total</b>	<b>35.20</b>	<b>28.87</b>

**Note 21 : Borrowings (Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured loan (carried at amortised cost and repayable on demand):</b>		
Loan from		
- Related Parties	1,614.27	801.43
- Director	-	50.80
- Relative of Director	-	5.00
<b>Secured loan from Bank:</b>		
Current Maturities - Long Term borrowings (Refer Note 21.1)	-	3.31
<b>Total</b>	<b>1,614.27</b>	<b>860.54</b>

**Note:**

**21.1** It pertains to vehicle loan obtained from Bank with the annual interest rate of Rs. 10.65% which is repaid in current year.

**Note 22 : Trade payables**

**(Amount (Rs) in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
- total outstanding dues of micro enterprises and small enterprises	20.35	31.40
- total outstanding dues of creditors other than micro enterprises and small enterprises	102.27	49.38
<b>Total</b>	<b>122.62</b>	<b>80.78</b>

**Note:**
**22.1 Ageing Schedule - As at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	19.45	5.21	-	-	-	24.67
(ii) Others	62.68	27.59	10.29	3.27	-	103.84
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Less : Amount disclosed under liability held for disposal (Refer note 50)	3.34	1.31	0.13	1.10	-	5.88
<b>Total</b>	<b>78.80</b>	<b>31.49</b>	<b>10.16</b>	<b>2.17</b>	<b>-</b>	<b>122.62</b>

**Ageing Schedule - As at March 31, 2021**

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	19.63	11.77	-	-	-	31.40
(ii) Others	10.80	31.52	6.66	0.40	-	49.38
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>30.43</b>	<b>43.29</b>	<b>6.66</b>	<b>0.40</b>	<b>-</b>	<b>80.78</b>

In the absence of relevant reports from the system, the above ageing is given as per the posting date of transaction in the books of accounts and accordingly disclosure of bills not due has also not been given in above table.

**Note 23 : Other financial liabilities (current)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Carried at Amortised cost</b>		
Payable to Employees and Directors	113.19	109.58
Capital creditors (Retention money)	3.10	78.68
Interest accrued but not due on borrowings	273.90	133.51
Dividend on preference shares (Refer note 19.1)	586.65	586.65
<b>Total</b>	<b>976.84</b>	<b>908.41</b>

**Note**

**23.1** In past, the Subsidiary (MMBPL) had issued 15% cumulative convertible redeemable preference shares (CCRPS) which had been converted into the equity shares. However the said Subsidiary has not paid the Dividend till date.

**Note 24 : Other Current Liabilities**
**(Amount (Rs) in Lakhs)**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Statutory Dues Payable	398.35	324.51
Advance from customer	-	1.93
Other Liabilities	6.63	9.31
<b>Total</b>	<b>404.98</b>	<b>335.75</b>

**Note 25 : Provisions (Current)**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b><u>Provision for Employee benefits (Non-funded)</u></b>		
Provision for gratuity	21.76	1.10
Provision for Tax (net of taxes paid in advance)	-	16.33
<b>Total</b>	<b>21.76</b>	<b>17.44</b>

**Note 25A : Revenue From Operations**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Sale of products / service	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 26 : Other Income**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Interest income:		
on Fixed deposit with bank	0.45	0.45
on unsecured loans	0.55	15.63
on Compulsory convertible Debentures	6.34	0.00
on Income Tax Refund	0.07	0.00
Insurance claim	0.14	0.00
Gain on financial instruments at fair value through profit or loss	15.43	0.00
Other income	0.00	7.30
Liabilities no longer required to be paid is written back	7.17	0.57
<b>Total</b>	<b>30.16</b>	<b>23.95</b>

**Note 27 : Employee Benefits Expenses**

**(Amount (Rs) in Lakhs)**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Salary, wages and bonus etc.	74.31	60.94
Director remuneration	147.35	162.00
Gratuity	5.57	5.23
Staff welfare expenses	2.48	0.00
Less: Capitalised during the year (Refer Note 5.1)	3.99	0.00
<b>Total</b>	<b>225.73</b>	<b>228.18</b>

**Note:**

**27.1** The Subsidiary (MMBPL) has accounted managerial remuneration of Rs. 162 lakhs in FY 2020-21 and Rs. 163.35 lakhs in FY 2021-22. As per Section 197 of the Companies Act 2013, there is an excess managerial remuneration aggregating to Rs. 116 lakhs in FY 2020-21 and Rs. 117.25 lakhs in FY 2021-22 which have been booked in the books of account. However, the said Subsidiary has actually paid Rs. 84 lakhs in FY 2020-21 and Rs. 100.52 lakhs in FY 2021-22.

Subsequent to year end, the Board of directors and shareholders have approved the above excess remuneration payable to directors and waived recovery of said excess managerial remuneration. Further, the said Subsidiary is in process of setting up the nomination and remuneration committee and the above excess managerial remuneration would be approved by the said committee in FY 22-23.

**Note 28 : Finance Costs**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Interest on:</b>		
borrowing from bank	0.04	0.38
borrowing from related party	198.41	130.27
delayed payment	35.17	-
statutory dues	47.19	82.74
<b>Other Finance cost</b>		
Bank Charges	0.22	0.26
Processing Fees	5.95	-
<b>Total</b>	<b>286.98</b>	<b>213.66</b>

**Note 29 : Depreciation And Amortization Expense**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Depreciation and Amortisation (Property Plant Equipment, Right of use assets and Intangible assets)	14.24	12.78
<b>Total</b>	<b>14.24</b>	<b>12.78</b>

**Note 30 : Other Expenses**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Legal and Professional Fees	127.99	41.96
Advertisement, marketing & business promotion expenses	2.84	2.67
Amortisation of Royalty & License Fees	35.73	100.11
Travelling & conveyance expenses	22.08	0.09
Rent, rates & taxes		
- Rent	15.23	15.01
- Rates and Taxes	11.39	9.45
Commission	2.75	-
Auditors Remuneration		
- Statutory Audit	18.50	20.01
- Taxation matters	1.36	2.14
-Limited review and other matters	8.72	6.29
Internal Audit Fees	1.40	1.05
Repairs & Maintenance	5.66	5.98
Electricity Charges	0.80	-
Security Charges	6.01	5.81
Printing & stationery expenses	0.68	0.29
Postage & Courier Charges	0.21	0.15
Insurance	1.27	0.79
Mobile & Telephone Charges	1.21	0.83
Internet Charges	0.26	0.10
Office Expenses	1.40	0.90
Site Expenses	11.36	0.85
Directors Sitting Fees (Refer note 30.1)	16.50	2.00
Miscellaneous expense	0.17	-
Loss on sale of material at site	16.51	-
Less: Capitalised during the year (Refer Note 5.1)	1.46	-
<b>TOTAL</b>	<b>308.56</b>	<b>216.47</b>

**Note: Prior period adjustment**

- 30.1** It includes prior period expense amounting to Rs 2 lakhs pertaining to FY 20-21 which has been recognised in current year. Considering the overall materiality, previous year figures have not been restated.
- 30.2** One of the Independent and non-executive director of Subsidiary (MMBPL) was brought on board on the mutual understanding that fees will be accrued and paid out on achieving financial closure of the project. However, during the year said director has demanded entire fess of Rs. 96.33 lakhs payable till 31st March 2022 even though financial closure of the project is not achieved. The Subsidiary (MMBPL) has not agreed to the said demand, however, the said Subsidiary has paid Rs. 47 lakhs as expended goodwill in FY 21-22 and balance amount of Rs. 49.33 lakhs has been shown under contingent liabilities pending outcome of final dispute / settlement. (Refer Note 35.1).

**Note 31 : Earning Per Share**

Particulars	As at March 31, 2022	As at March 31, 2021
Net (Loss) as per Consolidated Statement of Profit & Loss (A)	(809.28)	(651.22)
Weighted average number of Equity Share used in computing (B)	5,06,91,111	5,06,91,111
Weighted average number of Equity Share used in computing for Diluted EPS (C)	5,06,91,111	5,06,91,111
<b>Basic earning per share {(D) = (A) / (B)}</b>	<b>(1.60)</b>	<b>(1.28)</b>
<b>Diluted Earning Per Share {(E) = (A) / (C)}</b>	<b>(1.60)</b>	<b>(1.28)</b>

**Note 32 : Financial Instruments**

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation .

The following methods and assumptions were used to estimate the fair values:

- i) The management assessed that fair value of cash and cash equivalents, borrowing, other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and are equal to the fair values.
- ii) Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled except investment in subsidiary which is carried at cost.

Hierarchy used for determining and disclosing the fair value of financial instruments by valuation technique:

The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

### 32.1 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's financial instruments along with their carrying amounts and fair value.

(Amount in Lakhs)

As at March 31, 2022	Carrying amount	Carried at amortised cost	Fair Value							
			Routed through OCI				Routed through Profit and loss			
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b><u>Financial assets (Non-current)</u></b>										
Investments	76.43	-	-	-	-	-	-	-	76.43	76.43
Loans and advances	129.89	129.89	-	-	-	-	-	-	-	-
<b><u>Financial assets (Current)</u></b>										
Cash and cash equivalents	31.61	31.61	-	-	-	-	-	-	-	-
Bank balances other than cash and cash equivalents	5.00	5.00	-	-	-	-	-	-	-	-
Loans and Advances	0.50	0.50	-	-	-	-	-	-	-	-
Other financial assets	8.97	8.97	-	-	-	-	-	-	-	-
<b>Total</b>	<b>252.40</b>	<b>175.97</b>	-	-	-	-	-	-	<b>76.43</b>	<b>76.43</b>
<b><u>Financial liability (Non-current)</u></b>										
Borrowings	192.50	192.50	-	-	-	-	-	-	-	-
Other financial liabilities	80.61	80.61	-	-	-	-	-	-	-	-
<b><u>Financial liabilities (Current)</u></b>										
Borrowings	1614.27	1614.27	-	-	-	-	-	-	-	-
Lease liabilities	396.16	396.16	-	-	-	-	-	-	-	-
Trade payables	122.62	122.62	-	-	-	-	-	-	-	-
Other financial liabilities	976.84	976.84	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3383.01</b>	<b>3383.01</b>	-	-	-	-	-	-	-	-

As at March 31, 2021	Carrying amount	Carried at amortised cost	Fair Value							
			Routed through OCI				Routed through Profit and loss			
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b><u>Financial assets</u></b>										
<b><u>(Non-current)</u></b>										
Investments	1.00	-	-	-	-	-	-	-	1.00	1.00
Loans and advances	78.19	78.19	-	-	-	-	-	-	-	-
<b><u>Financial assets</u></b>										
Cash and cash equivalents	10.54	10.54	-	-	-	-	-	-	-	-
Bank balances other than cash and cash equivalents	5.00	5.00	-	-	-	-	-	-	-	-
Loans and Advances	-	-	-	-	-	-	-	-	-	-
Other financial assets	12.13	12.13	-	-	-	-	-	-	-	-
<b>Total</b>	<b>106.85</b>	<b>105.85</b>	-	-	-	-	-	-	<b>1.00</b>	<b>1.00</b>
<b><u>Financial liability</u></b>										
<b><u>(Non-current)</u></b>										
Borrowings	192.50	192.50	-	-	-	-	-	-	-	-
Other financial liabilities	48.54	48.54	-	-	-	-	-	-	-	-
<b><u>Financial liabilities</u></b>										
<b><u>(Current)</u></b>										
Borrowings	860.54	860.54	-	-	-	-	-	-	-	-
Lease liabilities	396.16	396.16	-	-	-	-	-	-	-	-
Trade payables	80.78	80.78	-	-	-	-	-	-	-	-
Other financial liabilities	908.41	908.41	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2486.94</b>	<b>2486.94</b>	-	-	-	-	-	-	-	-

The above investments which is fully impaired is not included in above table.

### Note 33 : Financial risk management objectives and policies :

The Group's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Group's financial assets comprise mainly of investments and other assets.

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group has adopted a Risk Management Charter and Policy for self-regulatory processes and procedures for ensuring the conduct of the business in a risk conscious manner. The Risk Management Policy of the Group states the Group's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Group's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Group's financial performance.

The Group has exposure to the following risks arising from financial instruments:

- I. Market Risk
- II. Credit Risk
- III. Liquidity Risk

## I. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

Market risk comprises three types of risks:

- a. Interest Rate Risk,
- b. Currency Risk,
- c. Other Price Risk.

Financial instruments affected by market risk includes borrowings, investments and trade payables.

### a. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

The impact on Group's loss after tax and on other equity due to change in interest rate is given below :

**(Amount (Rs) in Lakhs)**

Particulars	(Increase) / Decrease in loss after tax		Increase / (Decrease) in other equity	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Increase by 1%	(18.07)	(10.53)	(18.07)	(10.53)
Decrease by 1%	18.07	10.53	18.07	10.53

The above amount does not include the outstanding loans which are interest free.

### b. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities i.e. when revenue or expense is denominated in a foreign currency. The Group is not exposed to foreign currency risk.

### c. Price Risk :

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Group has investment in securities which is not exposed to price risk except investment in 15% Compulsory Convertible Debentures which is recognised under the category of Fair value through profit and loss (under level 3) which is made in current year.

Particulars	(Increase) / Decrease in loss after tax		Increase / (Decrease) in other equity	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Increase by 10%	7.64	-	7.64	-
Decrease by 10%	(7.64)	-	(7.64)	-

In the above table, the management has not considered investments against which the Group has made impairment provision.

## II. Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as Investment, Loans and advances, Cash and cash equivalent, balances with banks other than cash and cash equivalent, loans and advances and other financial assets. The Group's exposure to credit risk is disclosed in note 7,8,10,11,12 and 13

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the Consolidated statement of profit and loss.

The Group measures the expected credit loss based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

### Other Financial assets

Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

For other financial assets e.g. Investments and other assets, Group periodically assesses financial reliability counter parties, taking into account the financial condition, current economic trends, and analysis of historical credit losses and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### III. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The table below analyse financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(Amount(Rs) in Lakhs)

Particulars	Less than 1 Year	Between 1 to 5 Years	Over 5 Years	Total	Carrying Value
<b>As at March 31, 2022</b>					
Borrowings	1614.27	192.50	-	1806.78	1806.78
Trade payables	122.62	-	-	122.62	122.62
Lease Liabilities	396.16	-	-	396.16	396.16
Other Financial liabilities	976.84	80.61	-	1057.45	1057.45
<b>Total</b>	<b>3109.89</b>	<b>273.11</b>	<b>-</b>	<b>3383.01</b>	<b>3383.01</b>

Particulars	Less than 1 Year	Between 1 to 5 Years	Over 5 Years	Total	Carrying Value
<b>As at March 31, 2021</b>					
Borrowings	860.54	192.50	-	1053.05	1053.05
Lease Liabilities	396.16	-	-	396.16	396.16
Trade payables	80.78	-	-	80.78	80.78
Other Financial liabilities	908.41	48.54	-	956.95	956.95
<b>Total</b>	<b>2245.89</b>	<b>241.05</b>	<b>-</b>	<b>2486.94</b>	<b>2486.94</b>

### Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2022, the Group has one class of shares in the nature of equity. Further Group had raised fund through loans from related parties. Consequent to such capital structure, there are no externally imposed capital requirements.

The Group monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

(Amount (Rs) in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Total Debt (including interest on debt)	2161.29	1235.09
Total Capital (total equity shareholder's fund - deferred tax assets)	26836.11	27521.80
Total Capital and Debt	<b>28997.40</b>	<b>28756.90</b>
Gearing Ratio	<b>7.45%</b>	<b>4.29%</b>

#### Note 34 : Revenue from contract with customers

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Revenue Streams</b>		
- Sale of product	-	-
- Income from advisory service	-	-
<b>Total</b>	-	-
<b>Asset and liabilities with Contract with Customer</b>		
- Advance from customer (Refer note 50)	-	1.93
<b>Total</b>	-	<b>1.93</b>

#### Note 35 : Contingent liabilities, Capital & Other Commitments

##### 35.1 Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Amount of Goods and Services Tax Input Credit not reflecting in GST Return but accounted in books	31.37	179.38
<b>Claims not acknowledge as debts:</b>		
- towards additional premium amount payable to MIDC (Refer Note 5.3)	810.00	-
- towards interest, if any, payable to MIDC on delay in payment to MIDC	Not ascertainable	-
- payable to contractor for construction of project	26.20	-
- towards fees payable to Independent Director (Refer Note 30.2)	49.34	151.49

### 35.2 Capital Commitment and other Commitment

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in Partly Paid Equity Shares of Eco Hotels India Private Limited (Refer Note 1 below)	10.33	10.33
<b>Estimated amount of contracts remaining to be executed on capital account commitments:</b>		
Rewards Constructions Private Limited		
- For Design, Supply and Construction of Manufacturing Facility	945.38	4675.26
<b>Other Commitments</b>		
License Fees to Modulex Modular Buildings Plc., United Kingdom		
via cash (Refer Note 2 below)	622.70	656.18
via Equity Shares (Refer Note 2 below)	958.00	1009.51
Royalty & Design Fees to Modulex Modular Buildings Plc., United Kingdom (Refer Note 3 below)		
<b>Total</b>	<b>2536.41</b>	<b>6351.28</b>

#### Notes:

- Investments in partly paid up shares of Rs. 10,438 made by Subsidiary (MMBPL) in Eco Hotels India Private Limited has been impaired in Financial year 2018-19.
- Amount in GBP has been converted into equivalent INR rate as on Consolidated balance sheet date.
- As per agreement dated July 01, 2017 with Modulex Modular Buildings Plc., Royalty and Design fee payable in each year from the licence start date or where the Subsidiary (MMBPL) makes a profit at 5% of Gross operating profit payable in Pound Sterling towards design and production drawing support provided by the franchisor. Fees is not payable to the Franchisor until the Master Franchisee achieves financial closure and further that the fees is payable based on review of the Master Franchisee's cash flow position post commencement of trading.

#### Note 35A : Employee Benefits

##### Defined Benefits Plan

##### Gratuity

The Subsidiary (MMBPL) provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity is provided as per the Actuarial valuation which is unfunded.

The Holding Company and other Subsidiary (RRASPL) has not made provision for gratuity since the employees are below 10 and hence Payment of Gratuity Act, 1972 is not applicable.

Employee benefit schemes recognised in the Consolidated financial statements as per actuarial valuation as on March 31, 2022 and March 31, 2021 are as follows :

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Defined Benefit Obligation at the beginning</b>	29.97	26.10
Current Service Cost	3.53	3.45
Interest Expense	2.04	1.78
Benefit Payments from Employer	-	(0.54)
Remeasurements - Due to Financial Assumptions	(1.05)	0.20
Remeasurements - Due to Experience Adjustments	2.46	(1.02)
<b>Defined Benefit Obligation at the end</b>	<b>36.96</b>	<b>29.97</b>

<b>Retirement age</b>	<b>60 and 79 years</b>	<b>60 and 78 years</b>
<b>Mortality rate</b>	<b>IALM(2012-14) ult</b>	<b>IALM(2012-14) ult</b>
<b>Expected average remaining working lives (in years)</b>	<b>13.23</b>	<b>14.25</b>
<b>Discount Rate</b>	<b>7.20%</b>	<b>6.80%</b>
<b>Salary Escalation Rate</b>	<b>6.00%</b>	<b>6.00%</b>

**Major Categories of plan assets (%)**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Equities</b>	-	-
Bonds	-	-
Insurance Policies	-	-
Government Securities	-	-
Special Deposit scheme	-	-
Funds managed by insurer	-	-
Property	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Components of Defined Benefit Cost**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Current Service Cost	3.53	3.45
Interest Expense on DBO	2.04	1.78
<b>Defined Benefit Cost included in Consolidated statement of profit and loss</b>	<b>5.57</b>	<b>5.23</b>
Remeasurements - Due to Financial Assumptions	(1.05)	0.20
Remeasurements - Due to Experience Adjustments	2.46	(1.02)
<b>Total Remeasurements in OCI</b>	<b>1.41</b>	<b>(0.82)</b>
<b>Total Defined Benefit Cost recognized in Consolidated statement of profit and loss and total Comprehensive income</b>	<b>6.98</b>	<b>4.42</b>

Bifurcation of Present Value of Obligations at the end of the valuation period as per Schedule III of the Companies Act, 2013:

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Current Liabilities	21.76	1.92
Non- current Liabilities	15.20	28.05

**Amounts recognized in the Consolidated Statement of Financial Position:**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Defined Benefit Obligation	36.96	29.97
Fair Value of Plan Assets	-	-
<b>Net Defined Benefit Liability / (Asset)</b>	<b>36.96</b>	<b>29.97</b>
<b>Of which, Short term Liability</b>	<b>21.76</b>	<b>1.92</b>

**Experience Adjustments on Present Value of DBO and Plan Assets**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(Gain) / Loss on Plan Liabilities Defined Benefit Obligation	2.46	(1.02)
% of Opening Plan Liabilities	8%	-3.90%
Gain / (Loss) on Plan Assets	-	-
% of Opening Plan Assets	-	-

**Expected Cash flow for following years**

**Maturity Profile of Defined Benefit Obligations**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Year 1	21.76	1.92
Year 2	0.32	19.83
Year 3	0.37	0.26
Year 4	0.46	0.30
Year 5	0.54	0.37
Year 6	4.62	2.45
Year 7	4.62	2.45
Year 8	4.62	2.45
Year 9	4.62	2.45
Year 10	4.62	2.45

The weighted average duration of the defined benefit plan / obligation is 10.81 years.

**Sensitivity Analysis**

Sensitivity Analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

A) Impact of change in discount rate when base assumption is decreased/ increased by 100 basis point

<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
<b>Discount Rate</b>	<b>Present value of Obligation</b>	<b>Discount Rate</b>	<b>Present value of Obligation</b>
	<b>(Amount (Rs) in lakhs)</b>		<b>(Amount (Rs) in lakhs)</b>
6.20%	39.71	5.80%	32.16
8.20%	34.61	7.80%	28.09

B) Impact of change in salary increase rate when base assumption is decreased/ increased by 100 basis point

<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
<b>Salary Increment Rate</b>	<b>Present value of Obligation</b>	<b>Salary Increment Rate</b>	<b>Present value of Obligation</b>
	<b>(Amount (Rs) in lakhs)</b>		<b>(Amount (Rs) in lakhs)</b>
5.00%	35.63	5.00%	29.08
7.00%	38.51	7.00%	30.97

C) Impact of change in withdrawal rate when base assumption is decreased/ increased by 100 basis point

As at March 31, 2022		As at March 31, 2021	
Withdrawal Rate	Present value of Obligation	Withdrawal Rate	Present value of Obligation
	(Amount (Rs) in lakhs)		(Amount (Rs) in lakhs)
0.00%	36.48	0.00%	29.66
2.00%	37.38	2.00%	30.24

Expected expense to be recognized in consolidated statement of profit and loss for the next financial year is amounting to Rs 8.24 lakhs

**Note 36 : Related Party Transactions**

**36.1 Following is the list of Related Parties and Relationships:**

Sr. No.	Particulars
<b>A)</b>	<b>Key Management Personnel</b>
1	Suchit Punnose
2	Raj Kumar Sharma, Independent Director
3	Sandeep Khurana, Independent Director
4	Aditya Vikram Kanoria, Independent Director
5	Rakhee Amit Agarwal, Independent Director
<b>B)</b>	<b>Other Enterprise where control exists / Where Directors or KMP's is interested</b>
1	Eco Hotels India Private Limited
2	Armaec Energy Private Limited
3	Crowdsourcing Global Private Limited
4	Substantia Real Estate India Private Limited
5	Ribbon Services Private Limited (w.e.f. 18th February 2021)
6	Redribbon Modulex Buildings Limited
7	Redribbon Asset Management PLC
8	Credent Asset Management Services Private Limited
9	Credent Asset Advisors Private Limited
10	Credent Property Advisory LLP (till 26th March 2022)
11	AZH Consultants LLP (till 26th March 2022)
12	Credent Investment Private Limited (till 26th March 2022)
13	Credent Property Advisory Private Limited (till 26th March 2022)
14	Oracle Credit Limited (till 26th March 2022)

**36.2 Related Party Transactions during the period are as follows:**

S.No.	Particulars	Amount (In Rs)	
		2021-22	2020-21
<b>A)</b>	<b>Interest expense on loan</b>		
	Give Vinduet Windows And Doors Private Limited	199.33	142.15
	Suchit Punnose	0.16	0.15
	Eco Hotels India Private Limited	1.91	-
<b>B)</b>	<b>Interest Income</b>		
	Give Vinduet Windows & Doors Private Limited	-	1.08
	Eco Hotels India Private Limited	0.55	14.55
<b>C)</b>	<b>Interest income on Compulsory Convertible Debentures</b>		
	Give Vinduet Windows and Doors Private Limited	6.34	-
<b>D)</b>	<b>Repayment of loan via transfer</b>		
	Give Vinduet Windows and Doors Private Limited	-	1.67
<b>E)</b>	<b>Directors Sitting fees</b>		
	Raj Kumar Sharma	2.25	0.25
	Sandeep Khurana	5.75	0.75
	Aditya Vikram Kanoria	5.25	0.75
	Rakhee Amit Agarwal	3.25	0.25
<b>F)</b>	<b>Loans given to</b>		
	Eco Hotels India Private Limited	47.00	-
<b>G)</b>	<b>Repayment of loan taken</b>		
	Eco Hotels India Private Limited	84.02	146.96
	Give Vinduet Windows & Doors Private Limited	72.76	18.79
<b>H)</b>	<b>Sale of investment in Subsidiary (Red Ribbon Advisory Service Private Limited)</b>		
	Redribbon Asset Management PLC	125.00	-
<b>I)</b>	<b>Reimbursement of Expenses</b>		
	P. Punnose	1.47	0.53
	Ajay Palekar	2.25	3.86
	Suchit Punnose	0.20	-
<b>J)</b>	<b>Unsecured Loan taken from</b>		
	Eco Hotels India Private Limited	54.00	83.61
	Give Vinduet Windows & Doors Private Limited	915.62	82.07
	Suchit Punnose	-	11.05

S.No.	Particulars	Amount (In Rs)	
		2021-22	2020-21
<b>K)</b>	<b>Repayment of loan given</b>		
	Eco Hotels India Private Limited	47.00	26.15
<b>L)</b>	<b>Director Remuneration</b>		
	Suchit Punnose	50.42	50.00
	Punnose Punnose	12.10	12.00
	Ajay Palekar	84.83	100.00
<b>M)</b>	<b>Advance against salary paid</b>		
	Suchit Punnose (Refer note 36.3)	58.01	5.65
<b>N)</b>	<b>Repayment of advance against salary received</b>		
	Suchit Punnose (Refer note 36.3)	58.01	5.65
<b>O)</b>	<b>Professional fees</b>		
	Sandeep Khurana (Refer Note 30.1)	51.56	7.99
<b>P)</b>	<b>Interest Expenses on unsecured loan - Reversal</b>		
	Eco Hotels India Private Limited (net of Interest Expense)	-	10.95
<b>Q)</b>	<b>Rent Expenses</b>		
	Suchit Punnose	4.41	4.20
<b>R)</b>	<b>Refund of Rent Deposit from</b>		
	Credent Asset Management Services Private Limited	7.20	-

**36.3** The Subsidiary (MMBPL) has paid advance against salary of Rs. 59.01 lakhs (Previous year: Rs. 5.95 lakhs) in anticipation of increase in salary. However due to undue delay in the project funding, delay in completion of Factory project and delay in commercial business activities, the decision to increase remuneration was not finalized. Hence, advance paid against salary has been recovered by the Subsidiary (MMBPL) before the year end. Considering the same, in the opinion of the management, advance paid against salary would not be treated in nature of loan and no compliance would be required u/s 185 & u/s 186 of the Companies Act, 2013.

**36.4 Related Party balances outstanding are as follows:**

S.No.	Particulars	Amount (In Rs)	
		As at 31st March 2022	As at 31st March 2021
<b>A)</b>	<b>Loan outstanding including interest accrued but not due on borrowings</b>		
	Give Vinduet Windows and Doors Private Limited	12.93	12.01
	Suchit Punnose	2.24	2.10
<b>B)</b>	<b>Interest receivable on Compulsory Convertible Debentures</b>		
	Give Vinduet Windows and Doors Private Limited	4.04	-
<b>C)</b>	<b>Outstanding Sitting fees</b>		
	Raj Kumar Sharma	2.26	0.23
	Aditya Vikram Kanoria	5.42	0.69
	Rakhee Amit Agarwal	3.16	0.23
	Sandeep Khurana	2.93	0.69
<b>D)</b>	<b>Investment in Shares of the Company in which Directors are interested</b>		
	Give Vinduet Windows & Doors Private Limited (Equity shares and at fair value as per Ind AS)	1.25	1.00
	Eco Hotels India Private Limited (Preference shares) (net of impairment)	-	-
<b>E)</b>	<b>Amount receivable (loan and interest receivable) (Refer Note 32.3.a)</b>		
	Eco Hotels India Private Limited	0.50	-
<b>F)</b>	<b>Rent Deposit paid on behalf of Director</b>		
	Ajay Palekar	3.00	3.00
<b>G)</b>	<b>Rent Deposit</b>		
	Suchit Punnose	1.05	1.05
<b>H)</b>	<b>Amount payable (loan and interest payable)</b>		
	Give Vinduet Windows & Doors Private Limited (carried at amortised cost due to Ind AS adjustments)	2151.20	1129.87
	Eco Hotels India Private Limited	-	32.01
<b>I)</b>	<b>Salary Payable</b>		
	Ajay Palekar	95.25	71.87
	Punnose Punnose	0.85	0.72
	Suchit Punnose	6.19	14.21

The information disclosed is based on the names of the parties as identified by the management and same has been relied by the Auditor. Further, above transactions (including outstanding balances) are after considering the fair value adjustments under Ind AS.

**36.5 Disclosures of Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) that are repayable on demand.**

Type of Borrower	Amount of loan or advance (including interest receivable) in the nature of loan outstanding As on 31st March 2022	Percentage to the total Loans and Advances in the nature of loans 31st March 2022	Amount of loan or advance in the nature of loan outstanding As on 31st March 2021	Percentage to the total Loans and Advances in the nature of loans 31st March 2021
Related Parties (Refer Note 36.4)	0.50	100%	-	-

**Note 37 : Details of loan given (after elimination of inter group transaction):-**

**The following are the disclosures as required u/s 186(4) of the Companies Act, 2013.**

Company Name	Rate of Interest	Secured / Unsecured	Amount of loan given during the year (Amount (Rs) in lakhs)	Purpose
Eco Hotels India Private Limited	9%	Unsecured	47.00	As informed by the management, the funds are proposed to be used for general corporate purpose of the borrower Company.

**Note 38 :** There are certain non-compliance with section 185 & 186 of the Act with respect to inter company loans between the Companies forming part of group (for the purpose of preparation of consolidation of financial statements) which are regularized subsequent to year end. The details of the same are given below even though such transactions are eliminated while preparing the consolidated financial statements.

- (a) Unsecured loans given by MMBPL (subsidiary company) to the holding company of Rs. 119.67 lakhs (closing balance as on 31st March 2022 is Rs. 409.35 lakhs ) and RASPL (subsidiary company) of Rs. 60.58 lakhs (closing balance as on 31st March 2022 is Rs. 53.27 lakhs) are approved by the board of directors of MMBPL, however, shareholders approval for the same is not obtained by MMBPL as per requirement of Section 185 & 186 of the Act in FY 2021-22 and the same is approved by the shareholders of MMBPL subsequent to year end.
- (b) Loan taken by Redribbon Advisory Services Private Limited (RASPL) (subsidiary company) from Modular Modulex Buildings Private Limited (MMBPL) (subsidiary company) of Rs. 60.58 lakhs (closing balance as on 31st March 2022 is Rs. 53.27 lakhs), director of Rs. Nil (closing balance as on 31st March 2022 is Rs. 50.80 lakhs) and relative of directors of Rs. Nil lakhs (closing balance as on 31st March 2022 is Rs. 5 lakhs) are approved by the board of directors, however, shareholders' approval for the same u/s 180 of the Act is not taken by the RASPL in FY 2021-22 and shareholders approval for the same is taken subsequent to year end.

**Note 39 : Additional information as required by Para 2 of the general instruction for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013:**

Name of the Entities in the Group	Net Assets, i.e. total assets minus total liabilities		Share in the Consolidated Loss		Share in the Other Comprehensive Income		Share in the Total Comprehensive Income	
	As % of Consolidated net Assets	Amount	As % of Consolidated loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
<b>Holding Company</b>								
Modulex Construction Technologies Limited	94.13%	25259.77	9.81%	(79.40)	274.83%	(3.88)	10.27%	(83.29)
<b>Subsidiary</b>								
Modulex Modular Buildings Private Limited	5.64%	1512.66	87.49%	(708.03)	100.00%	(1.41)	87.51%	(709.44)
<b>Sub Subsidiary</b>								
Redribbon Advisory Services Private Limited	-0.10%	(25.73)	2.11%	(17.09)	-	-	2.11%	(17.09)
<b>Non-Controlling Interest</b>								
	0.33%	89.42	0.59%	(4.76)	-274.83%	3.88	0.11%	(0.88)
<b>Total</b>	<b>100%</b>	<b>26836.11</b>	<b>100%</b>	<b>-809.28</b>	<b>100%</b>	<b>(1.41)</b>	<b>100%</b>	<b>(810.69)</b>

**Note 40 : Segment Reporting**

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

**Note 41 : Disclosure required under Section 186(4) of the Companies Act 2013 and Sebi (listing agreement and disclosure requirements) regulations, 2015**

In the current year, the Company has purchased 15% Unsecured Compulsory Convertible Debentures of Give Vinduet Windows & Doors Private Limited for Rs. 60 lakhs at face value from existing shareholders of Give Vinduet Windows & Doors Private Limited. As mentioned in Note 7.1 of consolidated financial statements, the same is approved by the board of directors, however, shareholders approval for the same is not obtained.

**Note 42 : Deferred Tax Assets / Liabilities:**

Due to absence of virtual/ reasonable certainty about the future taxable income, the Group has not recognised, any deferred tax assets on the any carried forward business losses, unabsorbed depreciation and other items. Details of the carried forward losses and deferred tax thereon as follows:

Amount (Rs) in Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
<b><u>Deferred tax Assets</u></b>		
Business Losses (Carried Forward)	1952.66	1463.59
Unabsorbed Depreciation	66.28	60.60
Difference in WDV of PPE between Companies Act and Income Tax Act	1.79	7.95
Employee benefit	56.96	29.97
<b><u>Deferred tax Liabilities</u></b>		
Difference in Investment (based on fair value through profit and loss)	(395.61)	16.78
Fair value gain on investment	(0.47)	-
Deferred tax Asset (Net)	429.33	402.72

**Note 43 : Impact of Global Pandemic Covid 19 on Consolidated Financial Statements**

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets and other receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these Consolidated financial statements has used internal and external sources of information and economic forecasts. The Group has performed necessary analysis on the assumptions used and based on current estimates expects the carrying amount of its assets does not require any impairment. However, the impact of COVID-19 on the Group's Consolidated financial statements may differ from that estimated as at the date of approval of these Consolidated financial statements, if any.

**Note 44 :** In pursuant to compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board of Directors of Holding Company at its meeting held 15th March 2022 approved for raising of funds amounting to Rs 4,100 lakhs on rights issue basis subject to approval of shareholders in Extra ordinary General Meeting. As a result no impact has been given in the Consolidated financial statements as on 31st March 2022.

**Note 45 : Disclosure pertaining to receipt and utilisation of funds as a funding / intermediary parties:**
**45.1 In respect of Holding Company, Disclosure pertaining to fund received as intermediary**

The Holding Company has received Rs. 10 lakhs on 13th July 2021 and Rs. 50 lakhs on 19th July 2021 from Modulex Modular Buildings Private Limited (MMBPL) (Intermediary party) which in turn received the funds Give Vinduet Windows & Doors Private Limited (GIVWDPL) (Funding party). The Holding Company has utilized Rs. 10 lakhs and Rs. 50 lakhs on 13th July 2021 and 19th July 2021 respectively for purchase of Compulsory Convertible Debentures (CCD) of GIVWDPL from existing CCD holders of GIVWDPL (ultimate beneficiaries / ultimate receipt of funds).

**45.2 Disclosure pertaining to receipt as well as transfer of funds in the capacity of funding party / intermediary by Subsidiary (MMBPL):**

**In the Capacity of funding party/ First intermediary**

The Subsidiary (MMBPL) (funding party / first intermediary) has given loan of Rs. 10 lakhs (on 13th July 2021) and Rs. 50 lakhs (on 19th July 2021) to Modulex Construction Technologies Limited (MCTL) (2nd intermediary) for purchase of Compulsory Convertible Debenture of Give Vinduet Windows & Doors Private Limited (GVWDPL) (Rs. 10 lakhs on 13th July 2021 and Rs. 50 lakhs on 19th July 2021) from existing debenture holders of Give Vinduet Windows & Doors Private Limited [ultimate Beneficiaries (ultimate receipt of funds)].

**In the Capacity of Intermediary**

- a) The Subsidiary (MMBPL) has received funds of Rs. 10 lakhs (on 13th July 2021) and Rs. 50 lakhs (on 19th July 2021) from Give Vinduet Windows & Doors Private Limited for giving the loan to Modulex Construction Technologies Limited (MCTL) (2nd intermediary) (loan given of Rs. 10 lakhs on 13th July 2021 and Rs. 50 lakhs on 19th July 2021) for purchase of Compulsory Convertible Debenture of Give Vinduet Windows & Doors Private Limited (GVWDPL) from existing debenture holders of Give Vinduet Windows & Doors Private Limited [ultimate Beneficiaries (ultimate receipt of funds)].
- b) The Subsidiary (MMBPL) has received funds of Rs. 56.70 lakhs (on various dates) from Give Vinduet Windows & Doors Private Limited for giving the loan (on various dates) to Modulex Construction Technologies Limited (ultimate beneficiaries / ultimate receipts of funds) (MCTL) for general corporate purpose.
- c) The Subsidiary (MMBPL) has received funds of Rs. 0.01 lakhs (on various dates) from Eco hotels India Private limited for giving the loan (on various dates) to Redribbon Advisory Services Private Ltd (ultimate beneficiaries / ultimate receipts of funds) for general corporate purpose.
- d) The Subsidiary (MMBPL) has received funds of Rs. 46.16 lakhs (on various dates) from Give Vinduet Windows & Doors Private Limited for giving the loan (on various dates) to Redribbon Advisory Services Private Ltd (ultimate beneficiaries / ultimate receipts of funds) for general corporate purpose.

**Additional details:**

- a) Give Vinduet Windows & Doors Private Limited (U28111KL2011PTC028899) (Company in which directors are interested): No.67/6446, Basin Road, Ernakulam, Kerala - 682031, India
- b) Modulex Modular Buildings Private Limited (Subsidiary) (U45400KL2008PTC029096): 67/6446, Basin Road, Cochin - 682031 Kerala.
- c) CCD holders of GIWDPL: Various details of CCD holders GIVWDPL are given below:
  - i) Anila Jain : PAN - ABZPJ3933H, Address - 28-111, 3rd Floor, West Patel Nagar, New Delhi - 110008
  - ii) Pramila Kumari : PAN - AAPPP9137Q, Address - B-5, Shivalaya Marg, Sethi Colony, Jawahar Nagar, Jaipur - 302004

- iii) Deo Narain Kalla : PAN - AGDPK9101D, Address - 4-CH-15, Jawahar Nagar, Jaipur - 302004
- iv) Vinod Kumar Jain : PAN - ABEPJ9443P, Address - B-5, Shivalaya Marg, Sethi Colony, Jawahar Nagar, Jaipur - 302004
- v) Nishi Lodha : PAN - AAGPL8897G, Address - 7, Wali Garden, Bardia Colony, Museum Road, Jaipur - 302004

Eco Hotels India Private Limited: (U55101KL2008PTC022097): 67/6446, Basin Road Ernakulum, Cochin - 682031 Kerala

- d) Redribbon Advisory Services Private Limited (U74140KL2010PTC026154): 67/6446, Basin Road Cochin - 682031 Kerala
- e) As informed by the management, the Group has complied with relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003) except for the matters which are stated in the Note 7.1 and 38 with respect to the Companies Act 2013.

#### **45.3 Other Notes pertaining to Schedule III:**

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group do not have any transactions with Companies struck off.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding except disclosed in Note 45.1 that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) except disclosed in Note 45.2 that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

- (viii) The Group has complied with provisions of downstream layers of companies as per Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- (ix) Reporting/disclosures is not made/applicable to the Group with respect to submission of statement of current assets to the bank as credit facility is not sanctioned against current assets of the Group.

**Note 46 : Changes in liabilities arising from financing activities**

**31st March 2022**

**(Amount (Rs) in Lakhs)**

Particulars	From 1st April 2021	Reclassification from other current liabilities to borrowings	Cash Flows (net)	As at 31st March 2022
Lease liabilities	396.16	-	-	396.16
Borrowings (Current and non current)	1053.05	-	809.53	1862.58

**31st March 2021**

Particulars	From 1st April 2020	Reclassification from other current liabilities to borrowings	Cash Flows (net)	As at 31st March 2021
Lease liabilities	396.16	-	-	396.16
Borrowings (Current and non current)	1042.07	-	10.98	1053.05

Interest expense on borrowings was Rs 280.81 Lakhs and Rs 213.40 lakhs for the year ended 31st March 2022 and 31st March 2021 respectively.

**Note 47 :** In the current year, the Holding Company has received whistleblower complaint from one of the person (hereinafter referred to as “the complainant”). The Complainant is chairman of audit committee, independent director and chairman of Whistleblower investigation committee of the Holding Company. The Complaint has been filed for conduct of the board meeting held for approval of right issue of equity shares. Based on the complaint of the claimant, the said matter was raised by the statutory auditor to the audit committee and also submitted its report to the central government subsequent to year end in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. Subsequent to year end, the Holding Company has appointed an independent third party to investigate the matter. Based on the investigation report submitted by the third party which is also approved by the audit committee of the holding company in meeting dated 2nd September 2022, allegation in whistleblower complaint are baseless.

**Note 48 :** The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

**Note 49 :** The Group has not maintained the video recordings of the certain board meetings / audit committee meeting which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013 due to technical glitches. However, signed physical board minutes and audit committee minutes of meeting has been maintained by the Company.

**Note 50 : Non Current Assets held for sale / disposal:**

In the current year, the board of directors of Subsidiary (MMBPL) in its meeting dated 18th January 2022 have approved for sale of entire investments in Sub subsidiary (RRASPL) in one or more tranches at face value i.e. for aggregate consideration of Rs. 415.76 lakhs. In the opinion of the management, the said transaction is highly probable and hence, entire assets and liabilities of said Subsidiary (RRASPL) has been disclosed under assets / liabilities held for disposal in the Consolidated financial statements in the current year. Since investments are sold at cost, there will not be any gain / loss on said sale transactions.

<b>Non Current Assets held for Sale / disposal</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
Other Intangible Assets	0.27	-
Other Non Current Assets	2.64	-
Cash and Cash Equivalents	0.14	-
<b>Total</b>	<b>3.04</b>	<b>-</b>

<b>Liabilities directly associated with the assets held for sale.</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
Unsecured Loan from (carried at amortised cost and repayable on demand)	55.80	-
Trade payable	5.88	-
Other Financial Liabilities (Current)	9.85	-
Other Current Liabilities	3.80	-
Provisions (Current)	21.08	-
<b>Total</b>	<b>96.41</b>	<b>-</b>

**Note 51 : Consequences of changes in a parent’s interest not resulting into loss of control in Other equity**

During the current year, Subsidiary (MMBPL) has sold 1,250,000 equity shares of RRASPL at Rs 10 per share constitutes 26.09% of total holdings

<b>Particular</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
Effects on equity attributable to owners of parent	27.77	-
	<b>27.77</b>	<b>-</b>

**Note 52 :** In the opinion of the management, the Holding Company is not required to obtain registration as Non-Banking Financial Company (NBFC) as it is neither carrying on any financial activities and nor proposing to carrying on financial activities as principal business in future and revenue of the Holding Company is mainly affected due to delay in implementing the project by the Subsidiary (MMBPL). Further, the Holding Company is taking necessary steps to generate revenue from non-financial assets. This is also confirmed by the consultant of the Holding Company.

**Note 53 : Comparatives:**

The figures of the previous year have been regrouped and re-arranged wherever necessary to conform to current presentation. The figures for the current year and previous year have been presented in Rs in Lakhs.

As per our report of even date attached

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

**Rakesh Upadhyaya**  
Partner  
Membership No. 046271

**Place: Mumbai**  
**Date : 05<sup>th</sup> September, 2022**

**For and on behalf of the Board of**  
**Modulex Construction Technologies Limited**  
**(CIN :L45100PN1973PLC182679)**

**Suchit Punnose**  
Director  
(DIN 02184524)

**Mahendra Kumar Bhurat**  
Chief Financial Officer  
(PAN AJIPB3300M)  
**Date : 02<sup>nd</sup> September, 2022**

**Ajay Palekar**  
Managing Director  
(DIN 02708940)

**Bhoomi Mewada**  
Company Secretary  
(M.No. A34561)

**(Annexure to Financial statement)**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part “A”: Statement containing salient features of the financial statement of Subsidiary

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of the subsidiary	Modulex Modular Buildings Private Limited
2.	The date since when subsidiary was acquired	26/10/2018
3.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period*	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A.
5.	Share Capital	Rs. 67,57,49,125
6.	Reserves & Surplus	Rs. 52,93,55,429
7.	Total Assets	Rs. 37,80,86,620
8.	Total Liabilities	Rs. 34,87,72,839
9.	Investments	Rs. 1,25,487
10.	Turnover	NIL
11.	Profit/ (Loss) before taxation	Rs. (7,08,04,362)
12.	Provision for taxation	NIL
13.	Profit / (Loss) after taxation	Rs. (7,09,44,619)
14.	Proposed Dividend	NIL
15.	Percentage of shareholding (On Paid-up Share Capital)	99.68%

Notes:

\* Reporting period of the subsidiary is the same as that of the Company.

Part B of the Annexure is not applicable as there are no Associate Companies/Joint ventures of the Company as on 31<sup>st</sup> March, 2022.

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

Sd/- (Ajay Palekar) Managing Director DIN : 02708940	Sd/- (Suchit Punnose) Whole Time Director DIN : 02184524	Sd/- (Mahendra Kumar Bhurat) Chief Financial Officer PAN: AJIPB3300M	Sd/- (Bhoomi Mewada) Company Secretary M. NO. : A34561
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2<sup>nd</sup> September, 2022

**(Annexure to Financial statement)**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part “A”: Statement containing salient features of the financial statement of Subsidiary

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Redribbon Advisory Services Private Limited
2.	The date since when subsidiary was acquired	20/02/2020
3.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period*	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share Capital	Rs. 4,79,16,000
6.	Reserves & Surplus	Rs. (521,56,846)
7.	Total Assets	Rs. 102,17,615
8.	Total Liabilities	Rs. 144,58,711
9.	Investments	Rs. 99,13,250
10.	Turnover	NIL
11.	Profit / (Loss) before taxation	Rs. (19,38,806)
12.	Provision for taxation	Rs. 2,55,582
13.	Profit / (Loss) after taxation	Rs. (21,83,388)
14.	Proposed Dividend	NIL
15.	Percentage of shareholding (On Paid-up Share Capital)	60.68%

Notes:

\* Reporting period of the subsidiary is the same as that of the Company.

Part B of the Annexure is not applicable as there are no Associate Companies/Joint ventures of the Company as on 31<sup>st</sup> March, 2022.

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

Sd/-

(Ajay Palekar)

Managing Director

DIN : 02708940

Sd/-

(Suchit Punnose)

Whole Time Director

DIN : 02184524

Sd/-

(Mahendra Kumar Bhurat)

Chief Financial Officer

PAN: AJIPB3300M

Sd/-

(Bhoomi Mewada)

Company Secretary

M. NO. : A34561

2<sup>nd</sup> September, 2022

## NOTICE OF THE 49<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 49<sup>th</sup> Annual General Meeting ('AGM') of the Members of **Modulex Construction Technologies Limited** will be held on Friday, 30<sup>th</sup> September, 2022, at 12.30 p.m. IST, through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility, to transact the following businesses:

### ORDINARY BUSINESS(ES):

#### 1. Adoption of Audited Financial Statements (Standalone and Consolidated)

To receive, consider and adopt:

- a. The Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the Reports of the Board of Directors and Auditors thereon; and
- b. The Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the Report of the Auditors thereon.

#### 2. Appointment of Mr. Ajay Palekar (DIN: 02708940) as Director liable to retire by rotation

To appoint a Director in place of Mr. Ajay Palekar (DIN: 02708940), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS(ES):

#### 3. Appointment of Mr. Raj Kumar Sharma (DIN: 00998552), as an Independent Director of the Company

*To consider and if thought fit to pass the following resolution as a Special Resolution:*

**“RESOLVED THAT** pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board of Directors of the Company and subject to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Raj Kumar Sharma (DIN: 00998552), who was appointed as Non-Executive Director of the Company by the members at the Annual General Meeting held on 17<sup>th</sup> December, 2019, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a first term of 5 (five) consecutive years on the Board of the Company effective from 2<sup>nd</sup> September, 2022 to 1<sup>st</sup> September, 2027.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such, acts, deeds, matters and things which may be incidental thereto or which may be considered necessary, expedient or desirable in its entire discretion and further to settle any question, doubt or difficulty to give effect to the foregoing resolution.”

**4. Re-appointment of Mr. Aditya Vikram Kanoria (DIN: 07002410), as an Independent Director of the Company**

*To consider and if thought fit to pass the following resolution as a Special Resolution:*

“**RESOLVED THAT** pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board and subject to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Aditya Vikram Kanoria (DIN: 07002410) who was appointed as an Independent Director for a term of 5 (five) years by the members to hold the office from 10<sup>th</sup> March, 2018 up to 9<sup>th</sup> March 2023, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term of 5 (five) consecutive years on the Board of the Company effective from 09<sup>th</sup> March, 2023 till 08<sup>th</sup> March, 2028.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such, acts, deeds, matters and things which may be incidental thereto or which may be considered necessary, expedient or desirable in its entire discretion and further to settle any question, doubt or difficulty to give effect to the foregoing resolution.”

**5. Re-appointment of Mr. Suchit Punnose (DIN: 02184524) as Whole Time Director of the Company**

*To consider and if thought fit to pass the following resolution as a Special Resolution:*

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to Articles of Association of the Company and subject to such sanctions, as may be necessary, approval of the members be and is hereby accorded to the re-appointment of Mr. Suchit Punnose (DIN: 02184524) as the Whole-time Director and Chairman of the Company for a period of 5 Years with effect from 09<sup>th</sup> March, 2023, liable to retire by rotation, upon the terms and conditions as agreed (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 3 years from the date of his appointment), with liberty to the Board of Directors of the Company (hereinafter referred to as “the Board”) which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Suchit Punnose.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such, acts, deeds, matters and things which may be incidental thereto or which may be considered necessary, expedient or desirable in its entire discretion and further to settle any question, doubt or difficulty to give effect to the foregoing resolution.”

**6. Re-appointment of Mr. Ajay Palekar (DIN: 02708940) as the Managing Director of the Company**

*To consider and if thought fit to pass the following resolution as a Special Resolution:*

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to Articles of Association of the Company and subject to such sanctions, as may be necessary, approval of the members be and is hereby accorded to the re-appointment of Mr. Ajay Palekar (DIN: 02708940) as the Managing Director of the Company, for a period of 5 Years with effect from 9<sup>th</sup> March, 2023, liable to retire by rotation, upon the terms and conditions as agreed (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 3 years from the date of his appointment), with liberty to the Board of Directors of the Company (hereinafter referred to as “the Board”) which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Palekar.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such, acts, deeds, matters and things which may be incidental thereto or which may be considered necessary, expedient or desirable in its entire discretion and further to settle any question, doubt or difficulty to give effect to the foregoing resolution.”

**7. To consider and approve Material Related Party Transactions**

*To consider and if thought fit to pass the following resolution as an Ordinary Resolution:*

“**RESOLVED THAT** pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company’s Policy on Related Party Transactions and based on the recommendation of the Audit Committee and Board of Directors, consent of the Members be and is hereby accorded to the related party contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), to be entered into and/or carried out and/or continued with between the related parties as per the details given below:

Sr. No	Transaction with	Nature of transaction	Tenure	Value	Justification for transaction	Valuation Report, if any
1	Subsidiary Company: Modulex Modular Buildings Private Limited	Loan Taken	Five years	Rs.25 Crores	Working Capital Loan	NA

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board and/or its committee be and is hereby authorised to do all such acts, deeds, matters and things as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any questions and difficulties that may arise in the matter and incidental thereto, without being required to seek any further consent or approval of the members of the Company shall be deemed to have given their consent, authority and approval thereto expressly by the authority of this resolution.

By Order of the Board  
For **Modulex Construction Technologies Limited**

SD/-  
(Bhoomi Mewada)  
Company Secretary  
M No: A34561

2<sup>nd</sup> September, 2022  
Mumbai

**NOTES:**

1. The explanatory statement pursuant to section 102 of the Companies Act 2013 which sets out details relating to special businesses at the meeting is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No(s). 14/2020 dated 08<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020 and 20/2020, dated 05<sup>th</sup> May, 2020, respectively ('MCA Circulars') permitted the holding of the AGM through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') and MCA Circulars, the 49<sup>th</sup> AGM of the Company is being held through VC/OAVM facility.

The Deemed Venue for the 49<sup>th</sup> AGM shall be the Registered office of the Company.

3. The AGM is being held pursuant to the MCA Circulars through VC / OAVM facility and as such the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

However, Corporate Members intending to authorize their representatives to attend & vote at the AGM through VC / OAVM facility on its behalf are requested to send duly certified copy of the relevant Board resolution to the Company, which should reach the Company at least 30 minutes before the commencement of the ensuing Annual General Meeting.

4. Members attending the AGM through VC / OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. Details of Directors seeking appointment / reappointment in AGM pursuant to the Secretarial Standard on General Meetings (SS-2) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) are also attached as an Annexure with this Notice of AGM.
6. Members are requested to notify any change of address and update bank account details to their respective depository participant directly.
7. Members may, pursuant to Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, file nomination in the prescribed Form SH-13 with the respective depository participant.
8. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
9. All members are requested to support Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses to receive all these documents electronically from the Company in accordance with Rule 18 of the Companies (Management & Administration) Rules 2014 and Rule 11 of the Companies (Accounts) Rules 2014. All the aforesaid documents have been uploaded on and are available for download from the Company’s website, being [www.modulex.in](http://www.modulex.in)
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated January 13, 2021, April 08, 2020, April 13, 2020, May 05, 2020 and December 14, 2021, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through VC, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-Voting system on the date of the AGM will be provided by the CDSL.
11. The Company has appointed Mr. Dharmesh Zaveri, proprietor of M/s. D. M. Zaveri & Co., Company Secretaries, as the Scrutinizer for conducting the e-voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.
12. Pursuant to Sections 101 and 136 of the Act read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participants (‘DP’). Members who have not registered their e-mail address with the Company can now register the same by sending an email to the Compliance Officer of the Company at [bhoomimewada@modulex.in](mailto:bhoomimewada@modulex.in) and/or by sending a request to Purva Sharegistry (India) Private Limited, Registrar and Share Transfer Agents (‘RTA’) through email at [support@purvashare.com](mailto:support@purvashare.com) or contact 022 2301 6761. Members holding Shares in Demat form are requested to register their e-mail address with their DP only. The registered e-mail address will be used for sending future communications.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, the Notice of AGM and Annual Report along with login details for joining the AGM through VC / OAVM facility including e-voting are being sent only through electronic mode to those Members whose e-mail address are registered with the Company or DP or RTA. Members may note that this Notice of AGM and Annual Report will also be available on Company’s website [www.modulex.in](http://www.modulex.in), Stock Exchange website [www.bseindia.com](http://www.bseindia.com) and Central Depository Services Limited (‘CDSL’) website [www.evotingindia.com](http://www.evotingindia.com)

14. The statutory registers including the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and other relevant documents referred to in the Notice and in the Explanatory Statements will be available for inspection by the members at the registered office of the Company from Monday to Friday from 11.00 am to 4.00 pm at A-82, MIDC Industrial Estate Indapur, District Pune Maharashtra – 413132.
15. The Notice of AGM and Annual Report will be sent to those Members / beneficial owners whose name(s) will appear in the Register of Members / list of beneficiaries received from the Depositories as on 26<sup>th</sup> August, 2022.
16. Members desiring any information/clarification on the accounts or any matter to be placed at the AGM are requested to write to the Company at [compliance@modulex.in](mailto:compliance@modulex.in) at least seven days in advance to enable the management to keep information ready at the AGM. Members desiring to seek information/clarification during the AGM on the accounts or any matter to be placed at the AGM may ask through the chat box facility provided by CDSL.
17. To prevent fraudulent transactions, Members are requested to exercise due diligence and immediately notify to the RTA any change in their address and/or bank mandate in respect of shares held in physical form and to their DPs in respect of shares held in the Dematerialized form. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.
18. SEBI vide its Circular No. SEBI/HO/MIRSD/DOPI/ CIR/P/2018/73 dated 20<sup>th</sup> April, 2018 has directed all the listed companies to update Bank Account details and PAN of the Members holding shares in physical form. It has been observed that many of the Members holding physical shares have not updated the said information. Therefore, such Members are requested to send the following documents to the Company's RTA:
  - i. Self-attested copy of PAN card including that of joint Members; and
  - ii. An original cancelled cheque of 1<sup>st</sup> Member (Name of 1<sup>st</sup> Member should be printed on cheque leaf). If name of 1<sup>st</sup> Member is not printed on cheque leaf, photocopy of passbook or bank statement duly attested by the banker along with cancelled cheque (Photocopy of cheque will not be accepted/ entertained).
19. To comply with the provisions of Section 108 of the Act and the Rules framed thereunder, Regulation 44 of the SEBI LODR Regulations, Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and MCA Circulars, the Members are provided with the facility to cast their vote electronically through remote e-voting (prior to AGM) and e-voting (during the AGM) services provided by CDSL on all resolutions set forth in this Notice.
20. Only those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

**The instructions for joining the AGM through VC /OAVM, remote e-voting and e-voting during the AGM are as follows:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company on 8<sup>th</sup> September, 2022. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry’s **General Circular No. 20/2020**, dated 05<sup>th</sup> May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

**THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 27<sup>th</sup> September, 2022 at 9.00 a.m. and ends on 29<sup>th</sup> September, 2022 at 5.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23<sup>rd</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p>
	<p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p>
	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <**Modulex Construction Technologies Limited**> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [company.secretary@modulex.in](mailto:company.secretary@modulex.in) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [company.secretary@modulex.in](mailto:company.secretary@modulex.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [company.secretary@modulex.in](mailto:company.secretary@modulex.in). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**DETAILS OF DIRECTOR(S) SEEKING RE-APPOINTMENT/APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING**

<b>Name of Director</b>	<b>Mr. Raj Kumar Sharma</b>	<b>Mr. Aditya Vikram Kanoria</b>	<b>Mr. Suchit Punnose</b>	<b>Mr. Ajay Palekar</b>
Director Identification No.	00998552	07002410	02184524	02708940
Date of Birth	15 <sup>th</sup> September, 1956	20 <sup>th</sup> July, 1982	5 <sup>th</sup> December, 1975	8 <sup>th</sup> October, 1962
Age	65 years	40 years	46 years	58 Years
Date of first appointment	14 <sup>th</sup> August, 2019	10 <sup>th</sup> March, 2018	10 <sup>th</sup> March, 2018	10 <sup>th</sup> March, 2018
Terms and conditions of re-appointment	Independent Director, not liable to retire by rotation	Independent Director, not liable to retire by rotation	Whole-time Director, liable to retire by rotation	Managing Director, liable to retire by rotation
Qualification	<ul style="list-style-type: none"> <li>- Bachelor of engineering, 1976, IIT Roorkee</li> <li>- Staff Course at Defence Services Staff College, Wellington (TN) on Defence Management</li> <li>- Culminating into Master of Science (Defence Studies) from Madras University, 1991</li> <li>- Advanced Course on Computers (hardware &amp; software) with Link Miles (UK), One year, 1982.</li> <li>- Marine Engineering Course, 1977-78</li> <li>- Aircraft Maintenance course, 1980.</li> </ul> Export Marketing Certificate course IIFT	PGCBM	Post Graduate	Post Graduate

Experience / Expertise in functional field and brief resume	He was commissioned in Indian Navy in 1976. He specialized in aerospace technologies and supported induction of Sea Harrier fighter aircraft in Indian Navy. Prior to his retirement, Raj held the appointments of Senior Officer (Air Technical) at INS Hansa, Dabolim, Goa and Deputy Director Naval Air Materiel at Naval Headquarters. Before accepting his present assignment, Raj has spent 18 years working in the aerospace industry since 1997. Some of the key appointments include, Resident Manager Thales Avionics France, Director Lockheed Martin India, Country Director- India Northrop Grumman Electronic Systems and President - Defence Punj Lloyd Ltd.	Experience - 15 years. He has served more than a decade in the financial services industry in India and delivering significant profit across various verticals he managed. He hails from a business family and comes with the necessary entrepreneurial flair to establish, grow and sustain a new business. Expertise in Finance.	Experience – 21 years. He is an entrepreneur with an eye for emerging markets and opportunities. As a strategic investor, he has incubated businesses in various sectors ranging from retail to commercial printing, vehicle leasing and accident management. He is passionate about green technology and sustainable living projects designed to counteract climate change, which is a subject of increasing concern. He is on the board of several growth companies with strong 'eco agendas' and has interests in green property investments. He is the CEO of Red Ribbon Asset Management Plc, which is the founding shareholder of the Company.	He is a Professional Manager with continuous working experience since 1984 on full time basis. He has a strong background in manufacturing of leather, fabric, steel and several other categories. Additionally, he has led and improved large multination and multiunit Companies in ITeS and Outsourcing. He is an Administrator and Operations Professional, adept in all day-to-day functions and long term plans and implementation, and in bringing value to shareholders and employees alike. He is adept at starting up large units of industries and in outsourcing, as well as in turnarounds and ramp ups.
No. of Shares held in the Company	1,22,011 equity shares	Nil	18,92,489 equity shares	2,23,048 equity shares
No. of Board Meetings attended during the financial year 2021-22	4	4	3	4
Details of remuneration sought to be paid and the remuneration last drawn by him	NA. Only Sitting Fees.	NA. Only Sitting Fees.	The Board of Directors at the Board Meeting held on 2 <sup>nd</sup> September, 2022 has approved to pay a salary of Rs. 12 lakhs p.a. However, considering the losses incurred by Company, Mr. Suchit Punnose voluntarily waived his remuneration. Therefore, there was no remuneration paid to Mr. Punnose during his first tenure.	The Board of Directors at the Board Meeting held on 2 <sup>nd</sup> September, 2022 has approved to pay a salary of Rs. 24 lakhs p.a. However, considering the losses incurred by Company, Mr. Palekar voluntarily waived his remuneration. Therefore, there was no remuneration paid to Mr. Palekar during his first tenure.

Other Directorships	<ul style="list-style-type: none"> <li>• B4S Infratech Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• AZH Consultants LLP</li> <li>• Credent Alpha LLP</li> <li>• Oracle Credit Limited</li> <li>• Credent Asset Management Services Private Limited</li> <li>• Credent Investment Private Limited</li> <li>• Credent Property Advisory Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Give Vinduet Windows And Doors Private Limited</li> <li>• Armaec Energy Private Limited</li> <li>• Modulex Modular Buildings Private Limited</li> <li>• Eco Hotels India Private Limited</li> <li>• Substantia Real Estate India Private Limited</li> <li>• Crowdsourc Global Private Limited</li> <li>• Redribbon Advisory Services Private Limited</li> <li>• Ribbon Services Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Modulex Modular Buildings Private Limited</li> </ul>
Membership/ Chairmanship of Committees of Board and other Companies	<p><b><u>Modulex Construction Technologies Limited</u></b></p> <ul style="list-style-type: none"> <li>• Nomination and Remuneration Committee – Chairman</li> <li>• Securities Committee – Member</li> <li>• Management Committee – Member</li> </ul>	<p><b><u>Modulex Construction Technologies Limited</u></b></p> <ul style="list-style-type: none"> <li>• Audit Committee – Member</li> <li>• Nomination and Remuneration Committee – Chairman</li> <li>• Securities Committee – Member</li> <li>• Management Committee – Member</li> <li>• Stakeholders Relationship Committee – Chairman</li> </ul>	<p><b><u>Modulex Construction Technologies Limited</u></b></p> <ul style="list-style-type: none"> <li>• Management Committee – Member</li> <li>• Stakeholders Relationship Committee – Member</li> </ul> <p><b><u>Modulex Modular Buildings Private Limited</u></b></p> <ul style="list-style-type: none"> <li>• Audit Committee - Member</li> </ul>	<p><b><u>Modulex Construction Technologies Limited</u></b></p> <ul style="list-style-type: none"> <li>• Audit Committee – Member</li> <li>• Nomination and Remuneration Committee - Chairman</li> <li>• Stakeholders Relationship Committee – Member</li> <li>• Management Committee – Chairman</li> <li>• Securities Committee – Member</li> </ul> <p><b><u>Modulex Modular Buildings Private Limited</u></b></p> <ul style="list-style-type: none"> <li>• Audit Committee - Member</li> </ul>
Relationship with other Directors, Manager and Key Managerial Personnel	None	None	None	None

By Order of the Board  
For **Modulex Construction Technologies Limited**

SD/-  
(Bhoomi Mewada)  
Company Secretary  
M No: A34561

2<sup>nd</sup> September, 2022  
Mumbai

**Disclosures as per sub clause (iv) of the second proviso to clause (B) of Section II of Part-II of Schedule V of the Act:**

**I. General Information:**

1	Nature of Industry	Modulex is a global pioneer in Construction Technology, with a steadfast commitment to carbon neutrality and innovation, combined with a determination to harness the power of emerging technologies to meet critical housing and infrastructure needs across the globe, at pace, and with optimal efficiency.		
2.	Date or expected date of commencement of commercial production	Q1 FY 2023-24		
3	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions in the prospectus	Not applicable		
4	Financial performance based on given indicators;	(Rs. In lakhs)		
	<b>Indicators</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>	<b>FY 2019-20</b>
	Income from Operations	NIL	NIL	NIL
	Other income	27.37	0.45	1.70
	<b>Total income</b>	27.37	0.45	1.70
	Less: Total expenses	105.29	74.80	77.61
	Less: Exceptional items	NIL	NIL	NIL
	<b>Profit/ (loss) before tax</b>	(77.92)	(74.35)	(75.91)
	Less: Tax expenses	1.48	NIL	NIL
	<b>Profit/ (loss) after tax</b>	(79.40)	(74.35)	(75.91)
5	Foreign investments and collaborations, if any	Not applicable		

**II. Information about the appointee:**

Particulars	Mr. Suchit Punnose	Mr. Ajay Palekar
Background details	He is an entrepreneur with an eye for emerging markets and opportunities. As a strategic investor, he has incubated businesses in various sectors ranging from retail to commercial printing, vehicle leasing and accident management. He is passionate about green technology and sustainable living projects designed to counteract climate change, which is a subject of increasing concern. He is on the board of several growth companies with strong 'eco agendas' and has interests in green property investments. He is the CEO of Red Ribbon Asset Management Plc, which is the founding shareholder of the Company.	He is a Professional Manager with continuous working experience since 1984 on full time basis. He has a strong background in manufacturing of leather, fabric, steel and several other categories. Additionally, he has led and improved large multination and multiunit Companies in ITeS and Outsourcing. He is an Administrator and Operations Professional, adept in all day-to-day functions and long term plans and implementation, and in bringing value to shareholders and employees alike. He is adept at starting up large units of industries and in outsourcing, as well as in turnarounds and ramp ups.
Past remuneration (Rs. in lakhs) (From March 2018 to August 2022)	Considering the losses incurred by Company, Mr. Suchit Punnose voluntarily waived his remuneration. Therefore, there was no remuneration paid to Mr. Punnose during his first tenure.	Considering the losses incurred by Company, Mr. Palekar voluntarily waived his remuneration. Therefore, there was no remuneration paid to Mr. Palekar during his first tenure.
Recognition or awards	NA	NA
Remuneration proposed	Rs. 12.00 Lakhs per annum	Rs. 24.00 Lakhs per annum
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and positioned businesses.	Proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and positioned businesses

Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	He does not have any pecuniary relationship, directly or indirectly with the Company or with any managerial personnel.	He does not have any pecuniary relationship, directly or indirectly with the Company or with any managerial personnel.
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### III. **Other Information:**

1) Reasons of loss or inadequate profits	As the Company is at start up stage and introducing the Modular Construction Technologies in India through it's Subsidiary.  During the Covid 19 pandemic, the work of the Factory was stopped. After the recommencement of construction, the work is making good progress.
2) Steps taken or proposed to be taken for improvement	The promoter and management the Company is committed to complete the construction activities and provide the fund to the Company as and when required.  The Subsidiary Company is in the process of discussion with banks for funding the project. Subsequent to year end, the management has received sanctioned letter from one of the Bank and is expecting the receipt of the sanctioned letters from other 2 banks.
3) Expected increase in productivity and profits in measureable terms	-

### IV. **Disclosures:**

All necessary information has been given under the section of Corporate Governance Report forming part of this report.

Mr.Suchit Punnose	Mr.Ajay Palekar
Remuneration : Rs.12.00 Lakhs per annum	Remuneration: Rs.24.00 Lakhs per annum
Perquisites and Allowances: For such amount as may be decided by the Board of Directors (which shall include HRA, Special Allowance & conveyance and reimbursement of Medical Expenses per month as per the rules and policy of the Company from time to time.) Contribution to Provident fund, Superannuation fund and payment of gratuity as per the rules of the Company.	Perquisites and Allowances: For such amount as may be decided by the Board of Directors (which shall include HRA, Special Allowance & conveyance and reimbursement of Medical Expenses per month as per the rules and policy of the Company from time to time.) Contribution to Provident fund, Superannuation fund and payment of gratuity as per the rules of the Company.
Considering the losses incurred by Company, Mr. Suchit Punnose voluntarily waived his remuneration. Therefore, there was no remuneration paid to Mr. Punnose during his first tenure.	Considering the losses incurred by Company, Mr. Palekar voluntarily waived his remuneration. Therefore, there was no remuneration paid to Mr. Palekar during his first tenure.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 3**

Mr. Raj Kumar Sharma was appointed as the Non-Executive Director of the Company with effect from 14<sup>th</sup> August, 2019.

Based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members of the Company, the Board of Directors of the Company at their meeting held on 2<sup>nd</sup> September, 2022 has approved the change in designation of Mr. Raj Kumar Sharma, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, and who is eligible for appointment, from Non-Executive Director, by appointing him as an Independent Director of the Company for the period of five years effective from 2<sup>nd</sup> September, 2022, in accordance with the provisions of Section 149 of the Companies Act, 2013 ('the Act') read with Schedule IV.

His appointment as an Independent Director would help the Company in bringing his independent judgment on various key areas for balanced decision making.

Other Details of him are provided in Annexure to the Notice forming part of it, pursuant to the Provisions of the Act and Secretarial Standard on General Meeting, issued by the Institute of Company Secretaries of India.

Notice under Section 160 of the Companies Act, 2013 ('the Act') proposing the appointment of Mr. Raj Kumar Sharma has been received.

The terms and conditions of his appointment shall be open for inspection by the Members at the registered office of the Company during the normal business hours on any working day

Mr. Raj Kumar Sharma is interested in the resolution set out at Item No. 3 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the special resolution set out at Item No. 3 of the Notice for approval by the members.

### **Item No. 4**

Mr. Aditya Vikram Kanoria (DIN: 07002410), was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 and Schedule IV of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 for a term of 5 years up to March 2023.

The Nomination & Remuneration Committee has recommended re-appointment of Mr. Aditya Vikram Kanoria as an Independent Director for a second term on the Board of the Company. The Board, as per the recommendation of the Nomination & Remuneration Committee, considers that, given his background, experience and contributions made by him during his first tenure, the continued association of Mr. Aditya Vikram Kanoria would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

The Board of Directors of the Company at its meeting held on 2<sup>nd</sup> September, 2022 on the recommendation of Nomination & Remuneration Committee, approved the re-appointment of Mr. Aditya Vikram Kanoria,

as an Independent Director of the Company for a second term of up to 5 (five) consecutive years, subject to the approval of the members at this Annual General Meeting.

Mr. Aditya Vikram Kanoria is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declarations from Mr. Aditya Vikram Kanoria that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Regulation 16 of the Listing Regulations.

In the opinion of the Board, Mr. Aditya Vikram Kanoria fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and is independent of the management. Mr. Aditya Vikram Kanoria is not debarred from holding the office of Director by virtue of any SEBI, MCA order or any other such authority.

Other Details of him are provided in Annexure to the Notice forming part of it, pursuant to the Provisions of the Act and Secretarial Standard on General Meeting, issued by the Institute of Company Secretaries of India.

Notice under Section 160 of the Companies Act, 2013 ('the Act') proposing the appointment of Mr. Aditya Vikram Kanoria has been received.

The terms and conditions of his appointment shall be open for inspection by the Members at the registered office of the Company during the normal business hours on any working day.

Mr. Aditya Vikram Kanoria is interested in the resolution set out at Item No. 4 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the special resolution set out at Item No. 4 of the Notice for approval by the members.

#### **Item No. 5**

Mr. Suchit Punnose (DIN: 02184524), was appointed as Whole-time Director of the Company pursuant to the provisions of Section 196, 197 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made there under, as amended from time to time, read with Schedule V to the Act, for a term of 5 years up to March 2023.

The Nomination & Remuneration Committee has recommended re-appointment of Mr. Suchit Punnose as Whole-time Director and Chairman for a second term on the Board of the Company. The Board, as per the recommendation of the Nomination & Remuneration Committee, considers that, given his background, experience and contributions made by him during his first tenure, the continued association of Mr. Suchit Punnose would be beneficial to the Company and it is desirable to continue to avail his services as Whole-time Director and Chairman of the Company.

The Board of Directors of the Company at its meeting held on 2<sup>nd</sup> September, 2022 on the recommendation of Nomination & Remuneration Committee, approved the re-appointment of Mr. Suchit Punnose, as Whole-time Director and Chairman of the Company for a second term of up to 5 (five) consecutive years, subject to the approval of the members at this Annual General Meeting.

The details of the remuneration of Mr. Suchit Punnose is as follows:

Sr No.	Particulars	Remuneration
1.	Salary	Rs. 12 Lakhs per annum

Perquisites and Allowances:

- a) For such amount as may be decided by the Board of Directors (which shall include HRA, Special Allowance & conveyance and reimbursement of Medical Expenses per month as per the rules and policy of the Company from time to time.)
- b) Contribution to Provident fund, Superannuation fund and payment of gratuity as per the rules of the Company.

The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to such Director as stated above.

Notice under Section 160 of the Companies Act, 2013 ('the Act') proposing the appointment of Mr. Suchit Punnose has been received.

Other Details of him are provided in Annexure to the Notice forming part of it, pursuant to the Provisions of the Act and Secretarial Standard on General Meeting, issued by the Institute of Company Secretaries of India.

The terms and conditions of his appointment shall be open for inspection by the Members at the registered office of the Company during the normal business hours on any working day

Mr. Suchit Punnose is interested in the resolution set out at Item No. 5 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the special resolution set out at Item No. 5 of the Notice for approval by the members.

#### **Item No. 6**

Mr. Ajay Palekar (DIN: 02708940), was appointed as Managing Director of the Company pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made there under, as amended from time to time, read with Schedule V to the Act, for a term of 5 years up to March 2023.

The Nomination & Remuneration Committee has recommended re-appointment of Mr. Ajay Palekar as Managing Director for a second term on the Board of the Company. The Board, as per the recommendation of the Nomination & Remuneration Committee, considers that, given his background, experience and contributions made by him during his first tenure, the continued association of Mr. Ajay Palekar would be beneficial to the Company and it is desirable to continue to avail his services as Managing Director of the Company.

The Board of Directors of the Company at its meeting held on 2<sup>nd</sup> September, 2022 on the recommendation of Nomination & Remuneration Committee, approved the re-appointment of Mr. Ajay Palekar, as Managing

Director of the Company for a second term of up to 5 (five) consecutive years, subject to the approval of the members at this Annual General Meeting.

The details of the remuneration of Mr. Ajay Palekar is as follows:

<b>Sr No.</b>	<b>Particulars</b>	<b>Remuneration</b>
1.	Salary	Rs. 24 Lakhs per annum

Perquisites and Allowances:

- For such amount as may be decided by the Board of Directors (which shall include HRA, Special Allowance & conveyance and reimbursement of Medical Expenses per month as per the rules and policy of the Company from time to time.)
- Contribution to Provident fund, Superannuation fund and payment of gratuity as per the rules of the Company.

The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to such Director as stated above.

Notice under Section 160 of the Companies Act, 2013 ('the Act') proposing the appointment of Mr. Ajay Palekar has been received.

Other Details of him are provided in Annexure to the Notice forming part of it, pursuant to the Provisions of the Act and Secretarial Standard on General Meeting, issued by the Institute of Company Secretaries of India.

The terms and conditions of his appointment shall be open for inspection by the Members at the registered office of the Company during the normal business hours on any working day

Mr. Ajay Palekar is interested in the resolution set out at Item No. 6 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

#### **Item No.7**

The provisions of the recently amended Regulation 23 of the Listing Regulations, stipulate that a transaction with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with the previous transactions during a financial year, exceeds ₹ 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and will require prior approval of Members by means of an ordinary resolution. The amended Regulation 2(1)(zc) of the Listing Regulations has also enhanced the definition of Related Party(ies) and Related Party Transactions (RPTs) which now includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

The details as per the requirement are given in the resolution.

Your Directors propose to pass the above resolution as an ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company except Mr. Suchit Punnose, Mr. Ajay Palekar and Mr. Sandeep Khurana and Mr. Raj Kumar Sharma are interested in the resolution set out at Item No. 7 being the Director of subsidiary Company. Further, no voting done by any members of the Company, if such member is a related party, shall be counted for the purpose of passing of this resolution.

By Order of the Board  
For **Modulex Construction Technologies Limited**

SD/-  
(Bhoomi Mewada)  
Company Secretary  
M No: A34561

2<sup>nd</sup> September, 2022  
Mumbai



