**(Company with Concrete Base)**
**CIN: L99999MH1982PLC028556**

**03rd September, 2021**

To,
Corporate Relations Department,
**Bombay Stock Exchange Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001.

Dear Sir/Madam,
Scrip Code: **531444**

**Subject: Submission of Annual Report for the Financial Year 2020-21.**

Dear Sir/ Madam,

Pursuant to Regulation 34 and Regulation 30 of the SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2020-21 alongwith Notice convening 38th Annual General Meeting scheduled to be held on Monday, 27th September, 2021 at 11.00 a.m. at the registered office of the Company at Survey No.35/10, Malohop Village, Khalapur Taluka, Raigad District, Maharashtra –410206.

Please take the same on your records.

Thanking you.
Yours faithfully,
**For Vardhman Concrete Limited**

**---Sd/---**
**Mr. Vishal Vardhan**
**Managing Director**
**DIN: 03043125**
Encl: As stated above.

(Company with Concrete Base)

CIN: L99999MH1982PLC028556

# 38TH ANNUAL REPORT

# 2020-21

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

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**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

| **Registered Office:** | **Corporate Office:** | **Registrar and Transfer Agents:** |
|---|---|---|
| | | **Link Intime Private Limited** |
| Survey No. 35/10, Malohop Village,<br>Khalapur Taluka,<br>Raigad District, Thane- 410 206<br>Tel: 02192-251069<br>Fax:02192-251069<br>Email:vardhmanconcrete@gmail.com;investor.stresscrete@gmail.com<br>Website: www.vardhmanconcreteltd.com | 120, Commerce House,<br>140, N.M. Marg, Fort<br>Mumbai – 400 001 | C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083<br>Tel: 022 – 49186270<br>Fax: 022 – 49186060<br>Email: rnt.helpdesk@linkintime.co.in<br>Website: www.linkintime.co.in |

**Team of Vardhman Concrete**

| | |
|---|---|
| Vishal Vardhan | Managing Director |
| Rajesh Vardhan | Non-Executive Director |
| Ramesh Vardhan | Non-Executive Director |
| Arvind Kumar Kothari | Independent Non-Executive Director |
| Shailesh Jogani | Independent Non-Executive Director |
| Prashansa Bora | Independent Non-Executive Director |
| Trishala Kanungo | Chief Financial Officer (CFO) |
| Burhanuddin HotelWala | Company Secretary and Compliance Officer |

**Board Committees**

***Audit Committee***
Mr. Arvind Kothari
Mr. Rajesh Vardhan
Mr. Shailesh Jogani

***Stakeholders Relationship Committee***
Mr. Arvind Kothari
Mr. Ramesh Vardhan
Mr. Rajesh Vardhan

***Nomination and Remuneration Committee***
Mr. Arvind Kothari
Mr. ShaileshJogani
Ms. Prashansa Bora

**Statutory Auditors**
M/s. G. P. Sharma & Co. LLP

A 702-703, Crystal Plaza, New Link Road,
Andheri (West), Mumbai - 400053.

**Secretarial Auditors**
M/s Priti J. Sheth& Associates
Company Secretaries
Office no 804, 8th floor, G Square, Jawahar Road, Opp Ghatkopar Station, Ghatkopar East
Mumbai 400077
Contact No.: 9819087464

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**Notice**

Notice is hereby given that the Thirty Seventh (38th) Annual General Meeting of the Members of **Vardhman Concrete Limited** (The Company) will be held on **Monday, 27th September, 2021** at **11:00 a.m.** at the Registered office of the Company at Survey No. 35/10, Malohop Village, Khalapur Taluka, Raigad District, Thane- 410 206 to transact the following businesses**:**

**ORDINARY BUSINESS:**

1) To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account together with the Reports of the Directors and Auditors thereon for the financial year ended 31st March, 2021.

2) To appoint a Director in place of Mr. Vishal Vardhan (DIN- 03043125), who retires by rotation and being eligible has offered himself for re-appointment.

**SPECIAL BUSINESS:**

3) **Re-appointment of Mr. Vishal Vardhan as Managing Director of the Company**
*To consider and if thought fit, to pass, the following Resolution as Special Resolution:-*

*"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto from time to time or any re-enactment thereof for the time being in force) and the rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee of the Company Mr. Vishal Vardhan (DIN- 03043125) be and is hereby re-appointed as Managing Director of the Company for a further period of 3 years with effect from 29th March, 2022 to 28th March, 2025 on the terms and conditions of appointment and remuneration as mentioned below with liberty and power to the Board, to grant increments and to alter and vary from time to time, the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:*

***I. SALARY:***

*Basic Salary up to Rs. 5,00,000/-per annum.*

***II. PERQUISITES:***

1. *The expenses incurred by the appointee on gas, electricity, water will be reimbursed.*
2. *All the medical expenses incurred for him and his family shall be reimbursed by the Company subject to a ceiling of 1 month's salary.*
3. *Leave Travel Allowance for self and family once in every year as may be sanctioned by the Board.*
4. *Fees of club subject to a maximum of two clubs, this will include life membership fees.*
5. *Personal Accident Insurance, the premium for which shall not exceed Rs. 10,000/- per annum.*
6. *Provision of a car with driver for use on companies business and telephones at residence.*
7. *Other Perquisites and Allowance as may be sanctioned by the Board of Directors and as approved by the Nomination and Remuneration Committee subject to maximum Rs. 50,000 per year.*
8. *Re-imbursement of expenses incurred on behalf of the Company.*

***III. OTHERS***

1. *The terms and conditions of appointment of Managing Director may be altered or varied from time to time by the Board as may consider and deemed fit so as not to exceed the limits specified in Schedule V or the Companies Act 2013 or the statutory modification or re-enactments thereof.*
2. *Notwithstanding, where in any financial year during the currency of the tenure of the Managing Director, the Company has no Profits or if the profits are inadequate, it may continue to pay him remuneration, subject to Schedule V of the Companies Act 2013.*

3. *The Managing Director shall be entitled to leave as per the Policy of the Company. Leave accumulated and not availed at the time of leaving the services of the Company shall be allowed to be encashed. This will not be considered as a perquisite.*
4. *The Managing Director shall be liable to retire by rotation.*
5. *The appointment of Mr. Akash Vardhan as Managing Director shall be terminable by Company by a notice of two months, in writing.*
6. *Disputes between the Company and the Managing Director or their legal heirs or with the legal representatives may be settled by Arbitration under the Indian Arbitration Act 1940.*
7. *The Managing Director shall not be entitled to any sitting fees for attending the meetings of the Board or any Committee thereof.*
8. *The Managing Director shall not become interested or otherwise concerned directly or in any selling agency of the Company except with the consent of the Company and in accordance with the provisions of the applicable laws in force.*

***RESOLVED FURTHER THAT*** *in the event of loss or inadequacy of profits in any financial year, not withstanding anything to the contrary herein contained, the appointee shall be paid the above remuneration as the Minimum Remuneration subject to the overall limits as per provisions contained in the Schedule V to the Companies Act, 2013 or any amendments hereinafter made, as may be agreed to between the Board of Directors and the appointee.*

***RESOLVED FURTHER THAT*** *the Board of Directors of the Company, severally and jointly, be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments, writings as, in its absolute discretion, it may be considered necessary, expedient or desirable, including power to sub delegate, in order to give effect to the foregoing resolution or otherwise as considered by the Board to be in the best interest of the Company as it may deem fit."*

**By Order of the Board**

**---Sd/---**
**Mr. Vishal Vardhan**
**Managing Director**
**DIN: 03043125**

**Date: 01st September, 2021**
**Place: Mumbai**

*Notes:*

1. Explanatory Statement as per Section 102 of the Companies Act, 2013 is annexed herewith

2. The route map showing directions to reach the venue of the 38th AGM is annexed.

3. As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the provisions of Secretarial Standard-2 on General Meetings, the relevant information in respect of the Director's seeking appointment and re-appointment forms an integral part of this Notice and Explanatory statement as Annexure I.

4. A Member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote instead of herself/himself and a proxy need not be a Member of the Company.

5. The proxy form should be deposited at the Registered Office of the Company not less than 48 (Forty-Eight) hours before the commencement of the AGM and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.

6. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

7. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.

8. The members who hold shares in electronic form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number, in attendance slip for attending AGM.

9. In case of joint holders attending the AGM, only such joint holder who is higher in order of names will be entitled to vote.

10. The members who hold shares in electronic form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number, in attendance slip for attending AGM.

11. For the convenience of the Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the Meeting.

12. The Ministry of Corporate Affairs (MCA), Government of India as a part of its Green Initiatives had issued Circular No. 17/2011 and 18/2011, dated 21st April 2011 and 29th April 2011 respectively, allowing Companies to send official documents to their shareholders electronically as part of its green initiatives in Corporate Governance.

13. In this behalf, we are confident that you would appreciate the "Green Initiative" taken by MCA. We solicit your cooperation in helping the Company to implement the e-governance initiatives of the Government.

14. Shareholders holding physical shares are requested to dematerialize their shares. The Company has appointed Link Intime India Private Limited, Mumbai for handling share transfer service and

also for maintaining electronic connectivity with NSDL and CDSL who have allotted ISIN ACTIVATION NUMBER AS – ISIN No – INE115C01014. Shareholders who have not updated their email ID till date are requested to update their email address with their depository participant for demat holding of shares and with the Registrar & Share Transfer Agents of the Company, Link Intime India Private Limited and for physical holding of shares the shareholders are requested to contact the Registrar & Share Transfer Agents, Link Intime India Private Limited for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically and quote their folio numbers / client ID / DP ID in all correspondence.

15. Members desirous of making nomination in terms of Section 72 of the Companies Act, 2013 in respect of their shareholding may approach the Registrar for assistance. Shareholders holding shares in electronic form may approach their DP with whom they maintain their account for nomination.

16. Members are requested to notify immediately any change in their address:
    i. to their Depository Participants (DPs) in respect of their electronic share accounts; and
    ii. to the Registrar and Share Transfer Agent of the Company in respect of their physical shares folios along with Bank particulars.

17. Members desirous of getting any information in respect of the contents of the Annual report are requested to write to the Company at least one week before the AGM so as to enable the Management to keep the information ready & replies will be provided at the AGM.

18. **Voting at Annual General Meeting-**The Company shall conduct voting by means poll process for the resolutions to be discussed at the AGM. Further the members who would have already voted by means of remote e-voting shall not be allowed to vote by ballot / poll at the AGM. Pursuant to provisions of Companies Act, 2013 read with rules made thereunder and pursuant to SEBI LODR Regulations, the Shareholders of the Company are eligible to cast their vote electronically as per the procedure mentioned below.

19. In compliance with the provisions of the Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of "remote e-voting" to its Members in respect of the businesses to be transacted at the 38th Annual General Meeting (" AGM"). The Company has engaged the service of the CDSL as the Authorised Agency to provide e-voting facilities.

20. Dispatch of Notice, Annual Report, etc. to Shareholders: In Compliance with the MCA Circular 20/2020 dated 5th May, 2020 and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, the Annual Report including the notice of the 38th AGM, indicating inter-alia, the process and manner of e-voting, is served only through electronic mode to members whose email IDs are registered with the Company / RTA / Depository Participant(s) and are holding shares of the Company as on 27th August, 2021 being the cut-off date for the purpose. The Company will not be dispatching physical copies of the Notice and Annual Report to any Member.

    Members may also note that the Annual Report 2020-21 and the Notice will also be available on the Company's website www.vardhmanconcreteltd.com, on the website of Stock Exchange BSE Limited www.bseindia.com and on the website of CDSL at www.evotingindia.com
    Members are requested to support Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialized form) or with RTA (in case of Shares held in physical form).

21. **Voting Results**
    i. The voting rights of members shall be in proportion to their shares of the paid-up Equity Share Capital of the Company (i.e. One Vote for Every One Share held).
    ii. The Company has appointed M/s. Priti J Sheth& Associates, Practicing Company Secretaries, to act as the scrutinizer for e- voting process as well as to conduct and prepare scrutinizers report for the voting by poll/ ballot to be conducted at the AGM.
    iii. The Scrutinizer shall, immediately after the conclusion of voting at AGM, count the votes cast at AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
    iv. The result declared along with the scrutinizer's report shall be submitted to BSE Limited, where the shares of the Company are listed and shall also be uploaded on the website of the Company.

22. Members are requested to note that the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. It is hereby clarified that it is not mandatory for a Member to vote using thee-voting facility. A Member may avail of the facility at his/her/its discretion, as per the instruction provided herein:

23. **Instructions to Members for e-voting are as under:**
    i. The e-voting period begins on Friday, 24th September, 2021 at 9:00 a.m. and ends on Sunday, 26th September, 2021 at 5:00p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday, 20th September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    ii. 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..

    iii. 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 for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL** | 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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.<br><br>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.<br><br>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration<br><br>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 www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & 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. |
| Individual Shareholders holding securities in demat mode with **NSDL** | 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: https://eservices.nsdl.com 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.<br><br>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br><br>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 hold 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. |
| Individual Shareholders (holding securities in demat mode) login through their **Depository Participants** | 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. |

iv. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

**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**

| **Login type** | **Helpdesk details** |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL** | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at 022-23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with **NSDL** | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

v. The procedure for remote e-Voting facility for Physical shareholders and shareholders other than individual holding in Demat form is as follows:

a. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
b. The shareholders should log on to the e-voting website www.evotingindia.com.
c. Click on "Shareholders" module.
d. Now enter your User ID
   - For CDSL: 16 digits beneficiary ID,
   - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
e. Next enter the Image Verification as displayed and Click on Login.
f. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

g. If you are a first time user follow the steps given below:

| | **For Physical shareholders and other than individual shareholders holding shares in Demat.** |
|---|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>• 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 |

h. After entering these details appropriately, click on "SUBMIT" tab.
i. 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.
j. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
k. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
l. 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.
m. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
n. 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.
o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
p. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
q. 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.
r. 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 and register themselves in the "Corporate" module.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
    - 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 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 at the email address priti.pjsassociates@gmail.com and to the Company at the email address viz; vardhmanconcreteltd@gmail.com , if they have voted from individual

tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**Process for those shareholders whose email addresses are not registered with the depositories/company for obtaining login credentials for e-voting for the resolutions proposed in this notice:**

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 on** vardhmanconcrete@gmail.com**/RTA email id** rnt.helpdesk@linkintime.co.in
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.
   If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 or call 022-23058542/43..

**By Order of the Board**

**---Sd/---**
**Mr. Vishal Vardhan**
**Managing Director**
**DIN: 03043125**

**Date: 01st September, 2021**
**Place: Mumbai**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013**

Mr. Vishal Vardhan holds office as Managing Director of the Company on approved terms until 28th March 2022 and shall be reappointed on receipt of requisite approvals. On the basis of recommendation of the Nomination & Remuneration Committee ('the Committee'), the Board of Directors approves his re-appointment in terms of applicable provisions of the Act for a period of three years from 29th March, 2022 upto 28th March, 2025, upon the terms & conditions stated in the resolution, subject to approval of the Members.

Additional information in respect of Mr. Vishal Vardhan, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is enclosed as Annexure I.

Details as required pursuant to Schedule V of the Companies Act, 2013 is as under:

| | | | |
|---|---|---|---|
| **I.** | **General Information** | | |
| | Nature of industry | : | Cement and concrete |
| | Date or expected date of commencement of commercial production | : | NA |
| | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | : | NA |
| | Financial performance based on given indicators | : | The net loss of the Company for the financial year ended March 31, 2021 is Rs. 35,58,459 |
| | Foreign investments or collaborations, if any | : | None |
| **II.** | **Information about the appointee:** | | |
| | Background details | : | Mr. Vishal Vardhan is an MBA and has experience of more than 7 year in the field of real estate and construction activity. |
| | Past remuneration | : | NA |
| | Recognition or awards | : | NA |
| | Job profile and his suitability | : | As the Managing Director he is responsible for providing vital inputs for effective functioning of the Company. |
| | Remuneration proposed | : | Basic Salary up to Rs. 5,00,000/-per annum and perquisites as mentioned in the resolution |
| | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | : | Comparative figures cannot be determined as the financial performances and individual cases differ, though in the same industry. |
| | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. | : | Apart from receiving managerial remuneration Mr. Vishal Vardhan does not have any pecuniary relationship with the Company. |
| **III.** | **Other information** | | |
| i. | Reasons of loss or inadequate profits | : | Considering the present economy and overall regulatory and business environment changes; The Company is still finding and developing optimistic ways to maximize the profits and to achieve targets set and overall growth. |

| | | | |
|---|---|---|---|
| ii. | Steps taken or proposed to be taken for improvement | : | The Company Constantly endeavors for growth and is taking necessary steps to reduce the Losses and book profits in future. |
| iii. | Expected increase in productivity and profits in measurable terms | : | The Company is expects growth and profits in near future. |

Mr. Vishal Vardhan and Mr. Ramesh Vardhan are interested in this Resolution. None of the other Directors and
Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

**By Order of the Board**

**---Sd/---**
**Mr. Vishal Vardhan**
**Managing Director**
**DIN: 03043125**

**Date: 01st September, 2021**
**Place: Mumbai**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**ANNEXURE I**

Details of the Directors seeking re-appointment at the Thirty Eighth (38th) Annual General Meeting as per Companies Act, 2013, Secretarial Standards and the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.

| | |
|---|---|
| Name of the Director | **Vishal Vardhan** |
| Director Identification Number (DIN) | 03043125 |
| Date of Birth | 09/07/1988 |
| Age | 33 Years |
| Date of Appointment (Original) | 29/03/2019 |
| Qualification | MBA |
| Brief Resume and Experience | He has experience of more than 7 year in the field of real estate and construction activity. |
| Expertise in specific functional areas | Real estate and construction activity. |
| Directorships held in other companies (excluding section 8 and foreign companies) | 1. Diwali Developers Private Limited<br>2. Vibuti Construction Private Limited<br>3. Vardhman Residency Private Limited<br>4. Vardhman Multicuisine Private Limited<br>5. Stork Realtors Private Limited<br>6. Vardhman Entertainment & Hospitality Private Limited |
| Memberships of committees across other companies (includes only Audit, Nomination & Remuneration Committee & Shareholders'/Stakeholder Relationship Committee) | **NA** |
| Relationship between directors inter-se | Son of Mr. Ramesh Vardhan |
| Terms and Conditions of re-appointment | Director liable to retire by rotation and other terms of office of MD as elaborated in the Resolution |
| Remuneration to be paid | NIL |
| Remuneration last drawn | NIL |
| Shareholding in the Company | NIL |
| No. of Board Meetings attended/ held during the previous financial year | 6 |

**By Order of the Board**

**---Sd/---**
**Mr. Vishal Vardhan**
**Managing Director**
**DIN: 03043125**

**Date: : 01st September, 2021**
**Place: Mumbai**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**Form No. MGT-11**

**Proxy Form**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

| | | |
|---|---|---|
| **CIN** | : | L99999MH1982PLC028556 |
| **Name of the Company** | : | VARDHMAN CONCRETE LIMITED |
| **Registered Office** | : | Survey No.35/10 MalohopVillage, Khalapur Taluka, Nr. Vithoba Industrial Estate Raigad Dist 410-206 |

| | | |
|---|---|---|
| **Name of the member(s)** | : | |
| **Registered address** | : | |
| **Email Id** | : | |
| **Folio No. / Client Id** | : | |
| **DP ID** | : | |

I/We, being the member (s) of **Vardhman Concrete Limited** hold _____ shares of the above named company, hereby appoint

1. **Name** : .....

   **Address** : .....

   .....

   **Email Id** : _____ **Signature** : _____ **., or failing him**

2. **Name** : .....

   **Address** : .....

   .....

   **Email Id** : _____ **Signature** : _____ **., or failing him**

3. **Name** : .....

   **Address** : .....

   .....

   **Email Id** : _____ **Signature** : _____ **.,**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the company, to be held on Monday, 27th September, 2021 at registered office of the Company at Survey No.35/10, Malohop Village, Khalapur Taluka, Raigad District, Maharashtra -410206 and any adjournment thereof in respect of such resolutions as are indicated below:

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

| Sr. no | Resolution | For | Against |
|---|---|---|---|
| 1. | To consider and adopt Audited Financial Statements and Board Report as on 31st March 2021. | | |
| 2. | To appoint a Director in place of Mr. Vishal Vardhan (DIN- 03043125), who retires by rotation and being eligible has offered himself for re-appointment | | |
| 3. | Re-appointment of Mr. Vishal Vardhan as Managing Director of the Company | | |

Signed this…… day of…… 20…

Affix Revenue Stamp

Member's Signature

Signature of 1st Proxy

Signature of 2nd Proxy

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**ATTENDANCE SLIP**

| | | |
|---|---|---|
| **NAME OF THE MEMBER / PROXY / AUTHORISED REPRESENTATIVE** | **:** | |
| **FOLIO NO.** | **:** | |
| ***DP ID & CLIENT ID** | **:** | |
| **NO. OF SHARES HELD** | **:** | |

***Note:** In case the shares are held in dematerialized form

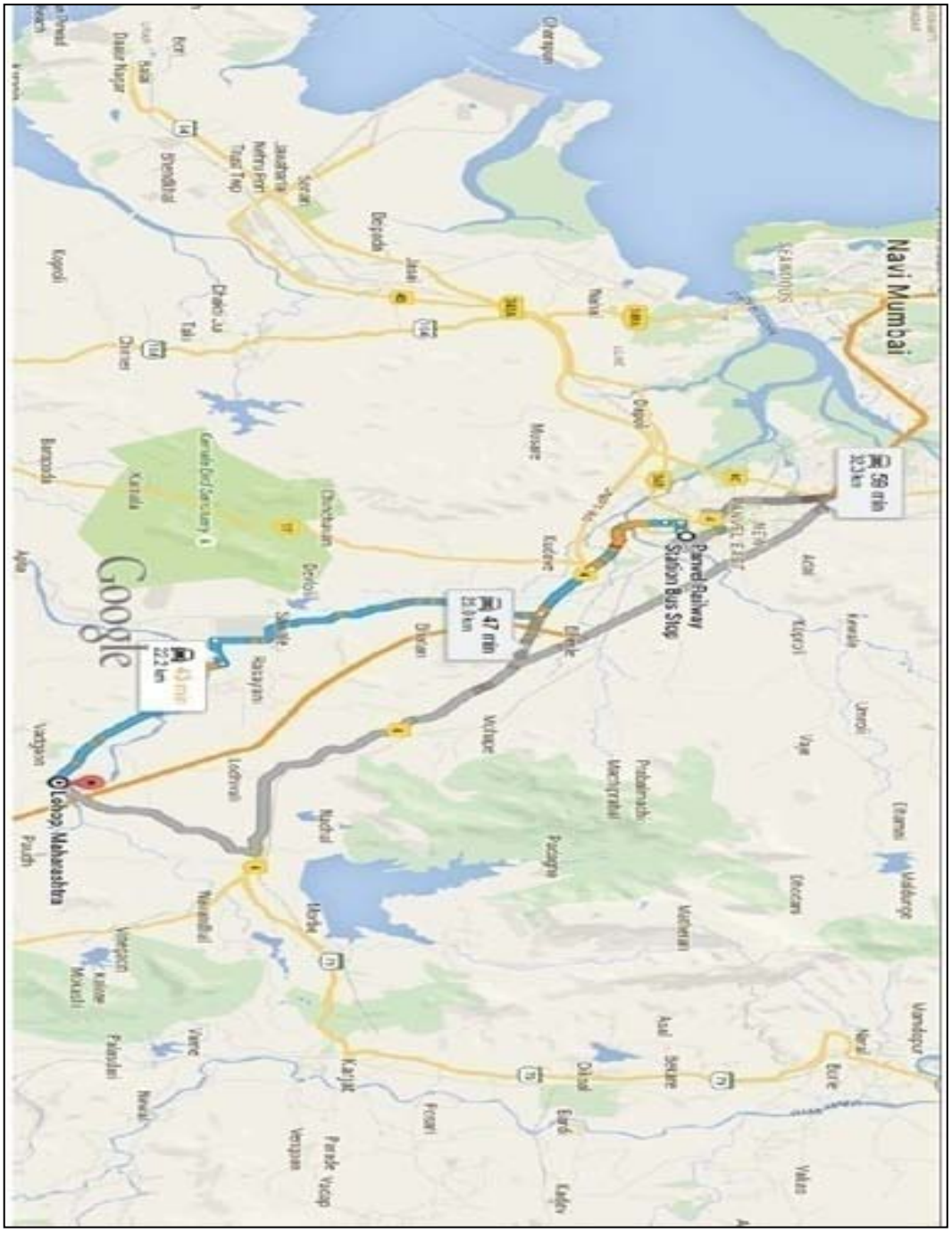
I hereby record my presence at the 38th Annual General Meeting of Vardhman Concrete Limited held on **Monday, 27th September, 2021** at **11:00 a.m.** at the Registered office of the Company at Survey No. 35/10, Malohop Village, Khalapur Taluka, Raigad District, Thane- 410 206 or at any adjournment thereof.

**SIGNATURE OF THE ATTENDEE:**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

*Route Map for the venue of 38th Annual General Meeting of the Company*



**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

## DIRECTORS' REPORT

Dear Members,

The Board of Directors hereby presents the report of the business and operations of your Company, along with the audited financial statements, for the financial year ended March 31, 2021. In line with the requirements of the Companies Act, 2013 and the rules framed thereunder, this report covers the financial results and other developments during the Financial Year 01st April, 2020 to 31st March, 2021.

### 1. Summary of operations/results:

The financial results of the Company for the year ended March 31, 2021 as compared to that of previous year are summarized as under:

**(Amount in Lacs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|---|---|
| Total Income | 3.41 | 26.85 |
| (less) Expenses | 40.07 | 46.97 |
| **Profit / (Loss) Before Income Tax** | **(36.65)** | **(20.12)** |
| (less) Taxes | (1.07) | (1.05) |
| **Net Profit / (Loss) after Tax** | **(35.58)** | **(19.07)** |

### 2. Company's Affairs

During the financial year ended March 31, 2021, the Company has incurred loss of Rs 35.58 Lacs as against the total income of Rs. 3.41 Lacs and net loss of Rs 19.07 Lacs incurred during the previous financial year ended March 31, 2020.

### 3. Transfer to General Reserves

During the year, no amount has been transferred to general reserves.

### 4. Dividend

Your board does not recommend any dividend for the financial year ended March 31, 2021.

### 5. Transfer of Unclaimed / Unpaid Amount

The Company was not required to transfer the amount of any unclaimed/unpaid dividend to Investor Education Protection Fund in accordance of the provisions of Section 125(2) of the Companies Act, 2013.

### 6. Change in the Nature of Business

There are no changes in the nature of business during the Financial Year ended March 31, 2021 and till the date of issue of this report.

### 7. Deposits

The Company has not accepted any deposits during the financial year as defined Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014; hence there is no default of re-payment, and any unpaid / unclaimed deposits, as on March 31, 2021.

### 8. Internal Financial Control (IFC)

Your Company's internal control system (including Internal Financial Controls with reference to financial statements) ensures efficiency, reliability and completeness of accounting records and timely preparations of reliable financial and management information, compliance with all applicable laws and regulations, optimum utilization and the protection of the Company's assets.

**9. Significant and Material Orders passed by the Regulators or Courts or Tribunal**

There are no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

However, there are certain legal disputes and claims which are under arbitration proceedings before judiciary authorities. The outcome of these proceedings against the Company may have significant impact on the loss for the quarter and net worth of the Company as on March 31st 2021, the amount whereof is not presently ascertainable.

**10. Subsidiary, Associate and Joint Ventures Companies**

The Company does not have any subsidiary as per Clause 2(87) or associate as per Clause 2(6) of the Companies Act, 2013. The Company has entered into Joint Venture named "Divinity" and "DKS(JV)" for construction of Low cost housing and related infrastructure.

**11. Performance and Financial Position of Subsidiary, Associate and Joint Venture Companies**

The Company has no subsidiary; The Company had entered into a Joint Venture named "Diviniti" and DKS(JV) for Construction of Low Cost Housing and related Infrastructure work. The accounts of the same do not form part of the financial statement of the Company as the same have not been finalized till date.

**12. Share Capital**

During the year under review there was no change in the share capital of the Company.

A) **Issue of Equity Shares with Differential Rights:** The Company has not issued any equity shares with differential rights during the Financial Year ended on March 31, 2021.
B) **Issue of Sweat Equity Shares:** The Company has not issued any Sweat Equity Shares during the Financial Year ended on March 31, 2021.
C) **Issue of Employee Stock Options:** The Company has not issued any Employee Stock Options during the Financial Year ended on March 31, 2021.

**13. Statutory Auditors**

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. G. P. Sharma & Co LLP, Chartered Accountants (Firm Registration No. 109957W) were appointed as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of 36th AGM till the conclusion of the 41st AGM to be held in the year 2024.

**14. Auditors' Report**

Our auditors have given disclaimers in their report for the following matters and the Opinion/Clarification on the said matter is as follows:

| *Disclaimer* | *Opinion/clarification* |
|---|---|
| *We draw attention to note no. 25 of the attached financial statement regarding the financial statements of the Company having been prepared on a going concern basis which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has been continuously incurring losses since last several years and its net-worth stands substantially eroded. These conditions indicate the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern* | *The Company has large order in hand hence its ability to continue, inter-alia, is dependent on the generation of cash flow, profits from their execution and on the Company's ability to infuse requisite funds for meeting its obligations.* |

| | |
|---|---|
| *We draw your attention to Note No 27 and 28 Overdue Trade Receivables of Rs. 362.80 Lakhs and Advances and Deposits (included in the current assets) of Rs. 222.96 Lakhs which in our opinion is doubtful for recovery and appropriate provision should be made. However, as explained by the Management, the Company is making concerted efforts to recover the same and is confident of recovery in due course. Hence no provision is considered necessary at present. Further aforesaid balances are subject to confirmation/reconciliations and subsequent to adjustments, if any. As explained by the Management that there would not be any impact on loss for the year' ended March 31, 2021 after such reconciliation. b. There are certain legal disputes and claims which are under arbitration proceedings before judiciary authorities. The outcome of these proceedings against the Company may have significant impact on the loss for the quarter and net worth of the Company as on March 31, 2021, the amount whereof is not presently ascertainable.* | *There are certain legal disputes and claims which are under arbitration proceedings before judiciary authorities. The outcome of these proceedings against the Company may have significant impact on the loss for the quarter and net worth of the Company as on March 31, 2021, the amount whereof is not presently ascertainable.* |
| *We draw attention to Note no. 29, Financials of Joint Venture M/s. Diviniti for the Financial year 2020-21 are not available and accordingly the management has taken the balance sheet as on March 2020.* | *The Financials of Joint Venture M/s. Divinity are prepared by JV partners and the same not been received by Company.* |

**15. Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act 2013 and the rules made thereunder the Board has appointed **M/s. Priti J Sheth& Associates**, Practicing Company Secretaries as Secretarial Auditor of the Company to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2021.

**16. Secretarial Audit Report**

The Secretarial Audit Report for the financial year ended March 31, 2021 is included as **"Annexure A"** and forms an integral part of this report.

**17. Directors comment on qualification or observation**

Our Secretarial auditors have qualified their report for the following Non-Compliances and the Opinion/clarification on the said non-compliances are as follows:

| Remarks | Opinion/Clarifications |
|---|---|
| The Company has not appointed an internal auditor required to be appointed by the company pursuant to section 138 of the Companies Act, 2013 and Companies (Accounts) Rules, 2014; | Due to low business operations, the Company has not appointed an internal auditor; however, considering the business environment, the management is in the process to appoint one. |
| The Company has not prepared consolidated financial statements of the company and its joint venture 'Divinity' for the year ended 31st March, 2021 and has not attached along with its financial statement, a separate statement in Form AOC-1 containing the salient features of the financial statements of 'Divinity' pursuant to Sec 129(3), of the Companies Act, 2013 read with Companies | The Financials of Joint Venture M/s. Divinity are prepared by JV partners and the same has not been received by Company. Hence, the company was not able to report the figures in AOC 1 and prepare the consolidated financials |

| | |
|---|---|
| (Accounts) Rules, 2014. | |
| Some shares are held by the promoters in Physical Form. | The Company has intimated the promoters to convert the said shares into DEMAT which are presently held by the promoter in physical form. |
| The Company has generally complied with the provisions of the Act and the rules framed thereunder with respect to filing of forms and returns with the Registrar of Companies within/beyond the prescribed time, except for filing of Form MGT 14 in respect of Board Resolution | The Company is in process of filing of said Form MGT 14 with ROC. |

Other remarks are self-explanatory and do not require any further clarifications.

**18. Board of Directors and Key Managerial Personnel**

The Composition of Board of Directors of the Company as on March 31, 2021 is as follows:

| Sr. No. | Name of Director/KMP | DIN | Category |
|---|---|---|---|
| 1. | Vishal Vardhan | 03043125 | Promoter, Managing Director |
| 2. | Ramesh Vardhan | 00207488 | Promoter, Non-Executive Director |
| 3. | Rajesh Vardhan | 00199986 | Promoter, Non-Executive Director |
| 4. | Arvind Kothari | 02169509 | Independent Non-Executive Director |
| 5. | ShaileshJogani | 06644699 | Independent Non-Executive Director |
| 6. | Prashansa Pradeep Bora | 08419397 | Independent Non-Executive Director |
| 7. | Trishala Kanungo | BUXPK1724K | Chief Financial Officer |
| 8. | Burhanuddin Hotel Wala | AVEPH9374F | Company Secretary |

During the financial year ended 31st March, 2021 following changes took place in the composition of the Board

**(a) Re-appointments**

Mr. Rajesh Vardhan (DIN- 00199986) retired by rotation at the 37th AGM held on 29th December, 2020 and was re-appointed as director u/s 152 of Companies Act, 2013 at the said AGM.

**Proposed Appointments**

- Pursuant to provisions of Companies Act, 2013, Mr. Vishal Vardhan (DIN- 03043125) retires by rotation at the ensuing AGM of the Company and being eligible seeks re-appointment.
- The term of appointment of Mr. Vishal Vardhan as Managing Director ends on 28th March 2022. The Board hereby recommends his re appointment for the further period of 3 years w.e.f 29th March, 2022.

Following changes took place from ***the end of the financial year till the date of issue of this report.***

Mr. Arvind Kothari (DIN- 02169509) resigned as the director of the Company w.e.f 15th June 2021.

**19. Declaration by Independent Directors**

The Company has received necessary declarations from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

In the opinion of the Board, the Independent Directors appointed during the year possess appropriate balance of skills, experience and knowledge that enable the Board to discharge its functions and duties effectively.

**20. Familiarization programme for independent directors**

All independent directors appointed on the Board attend a familiarization programme.

After appointment a formal letter is issued to the independent directors outlining his/her roles, functions, duties and responsibilities.

**21. Performance Evaluation of the Board/ Committees and Independent Directors**

The Board of Directors have evaluated the overall performance of the Board as a whole and also of each director individually including the Independent Director and found the same to be satisfactory.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Non–Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The performance of the committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as composition of Committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings.

**22. Independent Directors Meeting**

During the year under review, the Independent Directors met once on 30th June, 2020 inter alia, to discuss:

1. Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole taking into account the views of Executive and Non-Executive Directors;
2. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated;
3. Evaluation of the quality, content and timelines of flow of information between the Management and the board that is necessary for the Board to effectively and reasonably perform its duties.

**23. Extract of Annual Return**

The Annual Return of the Company for the financial year ended March 31, 2021 will be available on the website of the Company i.e.www.vardhmanconcreteltd.com once submitted to ROC.

**24. Corporate Social Responsibility**

The provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 in respect of Corporate Social Responsibility are not applicable to the Company.

**25. Board Meetings**

During the Financial Year 2020-21, the Board of Directors duly met Five times on 30th June, 2020; 15th September, 2020; 12th November, 2020; 25th November, 2020; 05th December, 2020; and 11th February, 2021.

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

**26. Committees of the Board**

Currently, the Board has three committees: the Audit Committee, the Nomination and Remuneration Committee, and the Stakeholders' Relationship Committee.

The details of the committees of the Board as on 31st March, 2021 are as follows:

**a) Audit Committee**

The Audit Committee of Directors is constituted as per the provisions of Section 177 of the Companies Act, 2013. The Composition of Audit Committee is as follows.

| Sr. No. | Name of Director | DIN | Category |
|---|---|---|---|
| 1. | Mr. Arvind Kothari – Chairman | 02169509 | Independent Non-Executive Director |
| 2. | Mr. Rajesh Vardhan | 00199986 | Promoter, Non-Executive Director |
| 3. | Mr. ShaileshJogani | 06644699 | Independent Non-Executive Director |

Audit Committee duly met 4 times during the financial year ended March 31, 2021 on 30th June, 2020; 15th September, 2020; 12th November, 2020 and 11th February, 2021.

*The Audit committee was re-constituted effective 15th June, 2021, consequent to resignation of Mr. Arvind Kohtari; Mr. Shailesh Jogani was inducted as chairman in place of Mr. Arvind Kothari.*

**b) Nomination & Remuneration Committee**

The Nomination & Remuneration Committee of Directors is constituted in accordance with the requirements of Section 178 of the Companies Act, 2013. The Composition of Nomination and Remuneration Committee is as follows:

| Sr. No. | Name of Director | DIN | Category |
|---|---|---|---|
| 1. | Mr. Arvind Kothari – Chairman | 02169509 | Independent Non-Executive Director |
| 2. | Ms. Prashansa Bora | 08419397 | Independent Non-Executive Director |
| 3. | Mr. ShaileshJogani | 06644699 | Independent Non-Executive Director |

Nomination & Remuneration Committee met once during the financial year ended March 31, 2021 on 15th September, 2020

*The Nomination & Remuneration Committee was re-constituted effective 15th June, 2021, consequent to resignation of Mr. Arvind Kohtari; Mr. Shailesh Jogani was inducted as chairman in place of Mr. Arvind Kothari*

**c) Stakeholders Relationship Committee**

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors has constituted the Stakeholders Relationship Committee. The Composition of Stakeholders Relationship Committee is as follows:

| Sr. No. | Name of Director | DIN | Category |
|---|---|---|---|
| 1. | Mr. Arvind Kothari – Chairman | 02169509 | Independent Non-Executive Director |
| 2. | Mr. Ramesh Vardhan | 00207488 | Promoter, Non-Executive Director |
| 3. | Mr. Rajesh Vardhan | 00199986 | Promoter, Non-Executive Director |

Stakeholders Relationship Committee met once during the financial year ended March 31, 2021 on.10th August, 2020; 12 January, 2021

*The Stakeholders Relationship Committee was re-constituted effective 15th June, 2021, consequent to resignation of Mr. Arvind Kohtari; Mr. Shailesh Jogani (chairman) was inducted in place of Mr. Arvind Kothari*

**27. Particulars of transaction between the Company and the Non-Executive Directors**

During the year under review the Company has not entered into any Transaction with its Non-Executive Directors.

**28. Particulars of Loans, Guarantees and Investments**

The Company has not given any loans, provided any guarantees/ Security or made any investment during the financial year ended on March 31, 2021.

**29. Related Party Transactions**

The Company has not entered into any transactions with related parties falling under the purview of section 188 of the Companies Act 2013 and Rules made there under.

**30. Particulars of remuneration to directors, key managerial persons and employees**

During the year under review, there were no employees who were in receipt of the remuneration beyond the limits prescribed under Rule 5 (2) of Companies (Appointment and Remuneration) Rules, 2014 and therefore no disclosures need to be made under the said section.

There is only one employee i.e. Company Secretary and the details of Company Secretary in terms of remuneration drawn pursuant to rule 5(1) of Companies (Appointment and Remuneration) Rules, 2014 is enclosed as **"Annexure B"** to the Board's Report.

**31. Conservation of Energy, Technology Absorption, foreign exchange earnings and outgo**

The information relating to conservation of energy and technology absorption foreign exchange earnings and outgo by the Company is annexed to the report as "**Annexure C"**

**32. Material changes and commitments**

There are no material Changes and Commitments affecting the Financial Position of the Company from 01st April, 2021 till the date of issue of this report.

**33. Policy on director's appointment and remuneration**

The current policy of the Company is to have an optimum combination of both executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management.

The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, independence of director and other matters, as required under Section

178(3) of the Companies Act, 2013 is available on our website (www.vardhmanconcreteltd.com). There has been no change in the policy since the last financial year.

**34. Risk Management Policy**

The Board of Directors in consultation with the Audit Committee has framed a policy for management and mitigation of risk faced by them in its day to day operations, further the Board of Directors and the Senior Management of the Company have been entrusted with the responsibility of identification, development and implementation of the same across the organization.

**35. Vigil Mechanism / Whistle Blower Policy**

The Company has a vigil mechanism/whistle blower policy to provide for adequate safeguard against victimization of person who use such mechanism and make provision for direct access to the chairperson of audit committee.

**36. Corporate Governance**

Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, provide threshold for applicability of corporate governance rules. Your company does not exceed such threshold. Hence, provision of corporate governance is not applicable to your company.

**37. Management Discussion and Analysis**

The Management Discussion and Analysis report as per the SEBI (Listing Obligations and Disclosures) Regulations, 2015 forms integral part of this Annual Report

**38. Maintenance of Cost Records**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

**39. Fraud Reported by Auditors**

During the year under review, there have been no instances of fraud, which required the Statutory Auditors to report to the Audit Committee and / or Board or Central Government under Section 143(12) of Act and Rules framed thereunder.

**40. Directors' Responsibility Statement**

In terms of Section 134(5) of the Companies Act, 2013 in relation to financial statements for the year ended 31st March 2021, the Board of Directors state that:

a. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. The Directors had selected such Accounting Policies and applied them consistently and made judgments 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 and of the profit and loss of the Company for that period;

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors had prepared the Annual Accounts on a going concern basis.

e. The Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.

f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**41. Prevention of Sexual Harassment of Women at workplace**

In order to prevent sexual harassment of women at workplace your company has adopted a policy for prevention of Sexual harassment of women at workplace. During the year under review, the Company has not received any complaints in this regard.

**42. Internal Complaints Committee**

Your Company was not required to constitute the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013].

**43. Acknowledgements**

Your Directors wish to place on record their sense of appreciation for the excellent support received from the government authorities, bankers and consultants in the working of the Company.

**By Order of the Board**

| | | |
|---|---|---|
| | **---Sd/---** | **---Sd/---** |
| | **Vishal Vardhan** | **Rajesh Vardhan** |
| **Date: 01st September, 2021** | **Managing Director** | **Director** |
| **Place: Mumbai** | **DIN: 03043125** | **DIN: 00199986** |

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**"Annexure A" to Directors Report**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021**

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

**To,**
**The Members,**
**Vardhman Concrete Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vardhman Concrete Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 my opinion, the Company has during the audit period covering the financial year ended on 31 March, 2021 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. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not applicable to the Company during Audit period)

III. 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; (Not applicable to the Company during Audit period)

IV. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

V. 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, 2009/2018; (Not applicable to the Company during Audit period)

(d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable to the Company during Audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008; (Not applicable to the Company during Audit period)

(f) The Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agents) Regulations 1993 regarding Companies Act and dealing with the Client; (Not applicable to the Company during Audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009; (Not applicable to the Company during Audit period)

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998/2018; (Not applicable to the Company during Audit period)

I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations 2015.

**During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:**

1. *The Company has not appointed an internal auditor required to be appointed by the company pursuant to section 138 of the Companies Act, 2013 and Companies (Accounts) Rules, 2014;*
2. *The Notices for holding Board meeting for approval of Financial results, Financial results & the Public Notice by way of advertisement pursuant to Rule 20 of the Companies (Management and Administration) Rules 2014have not been published in Newspapers as required under SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015;*
3. *The Company has not prepared consolidated financial statements of the company and its joint venture 'Divinity' and DKS(JV) for the year ended 31st March, 2021 and has not attached along with its financial statement, a separate statement in Form AOC-1 containing the salient features of the financial statements of 'Divinity' pursuant to Sec 129(3), of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.*
4. *shares are held by the some promoters in Physical Form.*
5. *There was delay of 1 day in filing of Shareholding pattern with BSE and Form MGT 14 for certain Board Resolutions are yet to be filed with ROC*
6. *Intimations for issue of Duplicate Share Certificate are not submitted to BSE.*

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

**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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and where the same were given at shorter notice than 7 days, proper consent thereof were obtained. 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 the decisions at the Board & Committee Meetings were carried out unanimously.

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

I 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 laws, rules, regulations and guidelines.

I further report that during the audit period the company was not involved in any activity which is having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

*For* **Priti J. Sheth& Associates**
**Company Secretaries**

**Sd/-**
**Priti J. Sheth**
**(Proprietor)**
**C.P. No.: 5518**
**F.C.S. No.: 6833**
**UDIN- F006833C000874579**

**Place: Mumbai**
**Dated: 01st September, 2021**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**Annexure to the Secretarial Audit Report**

**To,**
**The Members,**
**Vardhman Concrete Limited**

Our Secretarial Audit Report dated **01st September, 2021** is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make a report based on the secretarial records produced for our audit.

2. We 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. We believe that the processes and practices we followed provide a reasonable basis for our report.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.

4. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.

5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. This 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.
7.

*For* **Priti J. Sheth& Associates**
**Company Secretaries**

**Sd/-**
**Priti J. Sheth**
**(Proprietor)**
**C.P. No.: 5518**
**F.C.S. No.: 6833**
**UDIN- F006833C000874579**

**Place: Mumbai**
**Dated: : 01st September, 2021**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**
**"Annexure B" to Directors Report**

**PARTICULARS OF EMPLOYEES**

i. Ratio of remuneration of each director to the median remuneration of employees of the Company for the financial year 2020-21
***During the year under review no remuneration is paid to the director, hence the clause is not applicable.***

ii. Percentage increase of remuneration of each director Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year 2020-21

***During the year under review no remuneration is paid to the director***

iii. The percentage increase in the median remuneration of employees in the financial year
***The Company has no employee other than the Company Secretary of the Company.***

iv. The number of permanent employees on the rolls of company
***One***

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
***The Company has no employees other than the Company Secretary of the Company, CS Burhanuddin Hotel Wala hence calculation of average percentile increase in the payment of remuneration is impracticable.***

*vi.* ***The Board of Directors hereby affirm that the remuneration is as per the remuneration policy of the Company.***

**By Order of the Board**

| | |
|---|---|
| **---Sd/---** | **---Sd/---** |
| **Vishal Vardhan** | **Rajesh Vardhan** |
| **Managing Director** | **Director** |
| **DIN: 03043125** | **DIN: 00207488** |

**Date : 01st September, 2021**
**Place: Mumbai**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**"Annexure C" to Director's report**

The information relating to conservation of energy, technology absorption Foreign Exchange Earnings and Outgo by the Company

**(A) Conservation of Energy**

i. the steps taken or impact on conservation of energy: **The Company takes necessary measure to conserve energy at its offices.**

ii. the steps taken by the company for utilizing alternates source of energy**: NIL**

iii. the Capital Investment on energy conservation equipment: **NIL**

**(B) Technology Absorption**

i. the efforts made towards technology absorption: **NIL**

ii. the benefits derived like product improvement, cost reduction, product development or import substitution: **NIL**

iii. in case of imported technology (imported during last three years reckoned from beginning of financial year)
   **(a)** Details of technology imported: **Nil**
   **(b)** Year of Import: **Nil**
   **(c)** Whether technology has been fully absorbed: **Nil**
   **(d)** If not fully absorbed, areas where absorption has not taken place and the reasons thereof: **Nil**

iv. The expenditure incurred on Research and Development: **Nil**

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of Foreign exchange earnings and outgo during the period under review is as under:

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| Foreign Exchange Earned | Nil | Nil |
| Foreign Exchange used | Nil | Nil |

**By Order of the Board**

**---Sd/---**
**Vishal Vardhan**
**Managing Director**
**DIN: 03043125**

**---Sd/---**
**Rajesh Vardhan**
**Director**
**DIN: 00199986**

**Date: 01st September, 2021**
**Place: Mumbai**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**Management discussion and analysis Report**

The key issues of the Management Discussion and Analysis are given below.

**Industry Structure and Developments**

With various initiatives under Union Budget 2020-21 by the Government of India to promote affordable housing in India, the Management is expecting a boost in the overall development of Industry. Due to the increasing demand in various sectors such as housing, commercial construction and industrial construction, cement industry is expected to reach 550-600 million tonnes per annum (MTPA) by the year 2025. The Management is determined to take benefits of the growing demand in the industry.

**Opportunities and Threats**

Continuing increase in demand of housing, commercial and industrial construction, and slum rehabilitation projects are opportunity of growth to the Company. The major barrier to the growth of the Company is the cost of procurement of input materials and labour.

**Risk and Concerns**

As per the Management of the Company, the major risk and concerns that might affect the overall Growth and Development of the Company is the inflation and interest rates. With a gradual stoppage of operations at all major cement plants and construction sites since the end of the third week of March 2020 due to COVID 19 pandemic, growth in the housing segment, that forms 60%-65% of cement demand, is likely to be affected given the impact of the slowdown in economic growth on discretionary spending over the next year.

**Segment wise performance**

The Company is operating in only one segment.

**Business Outlook**

The Word Crisis is composed of two characters - Danger and Opportunity. The COVID-19 pandemic presents Company with both. However, the Management of the Company is optimistic towards working on capitalizing the opportunities while side-stepping the dangers.

**Risk Mitigation**

The Covid-19 pandemic is causing unprecedented upheaval to economies and business, exposing them to uncertainties which make it difficult to assess the extent of eventual impact or the timeline for normalcy. However, what is clear is that the risks that businesses face are wide ranging, affecting all aspects ranging from day-to-day operations to longer term planning and strategy.

Although the Company has been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. Therefore, in accordance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the Company through Audit Committee. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

**Management Perception and Initiatives**

The Year 2021 will be both challenging and opportunistic and the ones likely to succeed are those who embrace the changing market dynamics. Apart from elections, credit growth and improvements in infrastructure will set the tone for economic growth in the future. The Management of the

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

Company is optimistic towards the growth and future of the Company by trying to pursue the business of building, bridges and manufacturing of precast concrete girders, slabs, beams and Bed Blocks.

**Internal control systems and their adequacy**

Considering the size of the Company, the Management of Company is of the opinion that the internal control systems are adequate. However the Management of the Company is always striving to improve and develop the Internal Control Systems.

**Discussion on financial performance with respect to operational performance**

During the year under review the Company earned revenue from its operations and the management is of the opinion that the Company will be able to sustain and be able to increase the same in future years.

**Material developments in Human Resources / Industrial Relations front, including number of people employed**

The Company has in place a policy for Human Resource Management and the Board of Directors is assigned with the responsibility to maintain Industrial relationship.

The Company currently has single employee/KMP.

**Significant Changes in Key financial ratios and the explanation therefore (25% or more)**

| Sr. No | Particulars | F.Y. 2020-21 | F.Y. 2019-20 | Changes |
|---|---|---|---|---|
| 1. | Debtors Turnover (times) | - | - | N.A |
| 2. | Inventory Turnover (times) | N.A | N.A | N.A |
| 3. | Interest Coverage Ratio (times) | -0.75 | -3.15 | -2.4 |
| 4. | Current Ratio (% terms) | 23.83 | 23.80 | 0.03 |
| 5. | Debt Equity Ratio (times) | -2.00 | -2.04 | -0.04 |
| 6. | Operating Profit Margin (% terms) | - | - | - |
| 7. | Net Profit Margin (% terms) | -1042.82 | -71.03 | -1368 |
| 8. | Return on Net Worth(% terms) | -4.67 | -2.61 | -2.06 |

**By Order of the Board**

| | | |
|---|---|---|
| | **---Sd/---** | **---Sd/---** |
| | **Vishal Vardhan** | **RajeshVardhan** |
| **Date : 01st September, 2021** | **Managing Director** | **Director** |
| **Place: Mumbai** | **DIN: 03043125** | **DIN: 00199986** |

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

## INDEPENDENT AUDITOR'S REPORT

*To the Members of*
**Vardhaman Concrete Limited**
**Report on the Financial Statements**

We have audited the accompanying financial statements of **Vardhaman Concrete Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, Statement of changes in Equity and a summary of significant accounting policies and other explanatory information.
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 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, 2021, and its profit, Cash flow and changes in equity for the year ended on that date.

**Basis for Opinion**
We conducted our 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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.

**Management's Responsibility for the Financial Statements**
The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility**
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee

that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

**Opinion**
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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted inIndia, of the state of affairs of the Company as at 31st March, 2021, and its profit/loss and its cash flows for the year ended on that date.

**Material Uncertainty Related to Going Concern:**
We draw attention to **Note no. 25** of the attached statement regarding the financial results of the Company having been prepared on a going concern basis which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has been continuously incurring losses since last several years and its net-worth stands substantially eroded. These conditions indicate the existence of uncertainty that may cast doubt regarding the Company's ability

to continue as a going concern. However, as explained by the Management, the company has large order in hand, hence it's ability to continue, inter-alia, is dependent on generation of cash flow, profits from their execution and on the Company's ability to infuse requisite funds for meeting its obligations.
Our opinion is not modified to this extent.

**Emphasis of Matter:**
a. We draw your attention to **Note No 27and 28** Overdue Trade Receivables of Rs. 362.80 Lakhs and Advances and Deposits (included in the current assets) of Rs. 222.96 Lakhs which in our opinion is doubtful for recovery and appropriate provision should be made. However, as explained by the Management, the Company is making concerted efforts to recover the same and is confident of recovery in due course. Hence no provision is considered necessary at present. Further aforesaid balances are subject to confirmation/reconciliations and subsequent to adjustments, if any. As explained by the Management that there would not be any impact on loss for the year ended March 31, 2021 after such reconciliation.
b. There are certain legal disputes and claims which are under arbitration proceedings before judiciary authorities. The outcome of these proceedings against the Company may have significant impact on the loss for the quarter and net worth of the Company as on March 31, 2021, the amount whereof is not presently ascertainable.
c. We draw your attention to **Note no 29**, Financials of Joint venture M/s Diviniti & DKS (JV) for the financial year 2020-21 is not available and accordingly the management has taken the balance due as on March 2020.
Our opinion is not modified in respect of these matters

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the 'Order'), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanation given to us, we give in the **Annexure A**, a statement on the matters specified in the paragraph 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 purposes of our 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 Balance Sheet the Statement of Profit and Loss and Cash Flows dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   e) on the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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 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. there are no pending litigations of the Company and accordingly, no disclosure of the impact on its financial position in its financial statements is made by the Company;

ii. the Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. no amounts are required to be transferred to the Investor Education and Protection Fund by the Company.

**For GP Sharma & Co LLP.**
**Chartered Accountants**
**Firm's registration number: 100957W/W100247**

**CA Utkarsh Sharma**
**Partner**
**Membership number: 147906**
**UDIN: 21147906AAAAJ1332**
**Place: Mumbai**
**Date: 12th May, 2021**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**Annexure - A to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report that:

i. In respect of fixed assets, according to the information and explanation given to us :
   a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in reasonable intervals. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
   c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.

ii. In respect of inventories :
   The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon

iii. As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause (iii) (a), (b) and (c) of para 3 of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, no loans and investments have been made by the Company during the yearin terms of the provisions of Section 185 and 186 of the Act. Accordingly,Clause (iv) of Para 3 of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act from the public. Thus, Clause (v) of Para 3 of the Order is not applicable to the Company.

vi. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Act, for the product of the Company.

vii. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including income tax, and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, Goods &services tax, duty of customs, employees' state insurance and duty of excise.
   According to the information and explanations given to us, no undisputed amount payable in respect of income tax, and other material statutory dues were in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.

viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or government as at balance sheet date.

ix. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, Clause 3 (ix) of Para 3 of the Order are not applicable to the Company.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of Para 3 of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financialstatements under "Note 38: Related Party Disclosure" as required by the applicable accounting standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period and accordingly provisions of Clause (xiv) of Para 3 of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For GP Sharma & Co LLP.**
**Chartered Accountants**
**Firm's registration number: 100957W/W100247**

**CA Utkarsh Sharma**
**Partner**
**Membership number: 147906**
**UDIN: 21147906AAAAJ1332**
**Place: Mumbai**
**Date: 12th May, 2021**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**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 Vardhaman Concrete Limited ('the Company') as of 31 March 2021 in conjunction with our audit of the 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 Companies Act, 2013.

**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 ('Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 ICAI. 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 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 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 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 unauthorised

acquisition, use, or disposition of the company'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.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, 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 ICAI.

**For GP Sharma & Co LLP.**
**Chartered Accountants**
**Firm's registration number: 100957W/W100247**

**CA Utkarsh Sharma**
**Partner**
**Membership number: 147906**
**UDIN: 21147906AAAAJ1332**
**Place: Mumbai**
**Date: 12th May, 2021**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**
**VARDHMAN CONCRETE LIMITED**
(CIN: L99999MH1982PLC028556)
**Statement of Assets & Liabilities as at 31st Mar 2021**

**(Amount in Rs.)**

| | | Particulars | Note | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|---|
| | | | | Audited | Audited |
| **A** | | **ASSETS** | | | |
| | **1** | **Non-current assets** | | | |
| | a) | Property, plant and equipment | 2 | 5,311,981 | 5,797,221 |
| | b) | Financial Assets | | | |
| | | Trade receivables | 3 | 36,280,200 | 36,560,200 |
| | | **Sub-total - Non-Current Assets** | | **41,592,181** | **42,357,421** |
| | **2** | **Current assets** | | | |
| | a) | Financial assets | | | |
| | | Cash and cash equivalents | 4 | 532,495 | 284,461 |
| | | Bank balances other than Cash and Cash equivalents above | 5 | 6,681,721 | 6,347,531 |
| | b) | Other current assets | 6 | 27,227,723 | 26,994,466 |
| | | **Sub-total - Current Assets** | | **34,441,939** | **33,626,458** |
| | | **TOTAL - ASSETS** | | **76,034,120** | **75,983,879** |
| **B** | | **EQUITY AND LIABILITIES** | | | |
| | **1** | **Equity** | | | |
| | a) | Equity Share capital | 7A | 73,136,250 | 73,136,250 |
| | b) | Other equity | 7B | -149,282,165 | -146,113,421 |
| | | **Sub-total - Shareholders' funds** | | **-76,145,915** | **-72,977,171** |
| | **2** | **LIABILITIES** | | | |
| | | **Non-current liabilities** | | | |
| | a) | Deferred Tax Liability (Net) | 8 | 720,653 | 828,061 |
| | b) | Other non-current liabilities | 9 | 6,900,570 | 6,841,020 |
| | | **Sub-total - Non-current liabilities** | | **7,621,223** | **7,669,080** |

| | | | | |
|---|---|---|---|---|
| 3 | **Current liabilities** | | | |
| a) | Financial liabilities | | | |
| | Borrowings | 10 | 141,990,451 | 139,354,922 |
| | Trade payables | | | |
| | Total outstanding dues of micro enterprises and small enterprises | | - | - |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 11 | 595,554 | 595,554 |
| b) | Provisions | 12 | 1,762,714 | 1,142,163 |
| c) | Other current liabilities | 13 | 210,093 | 199,330 |
| | **Sub-total - Current liabilities** | | **144,558,812** | **141,291,969** |
| | | | | |
| | **TOTAL - EQUITY AND LIABILITIES** | | **76,034,120** | **75,983,879** |
| | **SIGNIFICANT ACCOUNTING POLICIES** | 1 | | |

The accompanying notes are an integral part of these standalone financial statements
This is the Balance Sheet referred to in our report of even date

**For G.P.Sharma & Co LLP**
**Chartered Accountants**
**Firm Regn No. 109957w /W100247**

**For and on behalf of the Board**

**Sd/-**
**Ca Utkarsh Sharma**
**M. No. 147906**
**Partner**
**Udin: 21147906aaaaj1332**

**Sd/-**
**Vishal R. Vardhan**
**(DIN : 03043125)**
**Managing Director**

**Sd/-**
**Rajesh B. Vardhan**
**(DIN : 00199986)**
**Director**

**Sd/-**
**Trishala M. Kanungo**
**Chief Financial Officer**

**Sd/-**
**Burhanuddin Hotelwa**
**Company Secretary**

**Place : Mumbai**
**DATED : 12.05.2021**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**VARDHMAN CONCRETE LIMITED**

(CIN: L99999MH1982PLC028556)

**Statement of Profit & Loss**

**For the year ended 31st March 2021**

**(Amount in Rs.)**

| | Particulars | Note | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|---|---|
| I | **INCOME** | | | |
| | Revenue From Operations | 14 | - | - |
| | Other Income | 15 | 341,234 | 2,684,792 |
| | **Total Income** | | **341,234** | **2,684,792** |
| II | **EXPENSES** | | | |
| | Employee benefits expense | 16 | 182,500 | 190,704 |
| | Finance costs | 17 | 2,094,086 | 1,527,498 |
| | Depreciation and amortization expense | 18 | 485,240 | 485,240 |
| | Other expenses | | | |
| | a) Construction & Operating costs | 19 | 9,660 | 9,340 |
| | b) Other expenses | 20 | 1,235,614 | 2,484,267 |
| | **Total expenses** | | **4,007,100** | **4,697,049** |
| III | **Profit/(loss) before exceptional items and tax (I - II)** | | **-3,665,866** | **-2,012,257** |
| IV | **Exceptional Item** | | - | - |
| V | **Profit/(loss) before tax (III - IV)** | | -3,665,866 | -2,012,257 |
| VI | **Tax expense:** | | | |
| | (1) Current tax | 21 | - | - |
| | (2) Deferred tax | | -107,408 | -105,324 |
| VII | **Profit (Loss) for the period from continuing operations (V - VI)** | | **-3,558,459** | **-1,906,933** |
| VIII | **Profit/(loss) from discontinued operations** | | | |
| IX | **Tax expense of discontinued operations** | | | |
| X | **Profit/(loss) from Discontinued operations (after tax) (VIII - IX)** | | - | |
| XI | **Profit/(loss) for the period (VII + X)** | | **-3,558,459** | **-1,906,933** |
| XII | **Other Comprehensive Income** | | | |
| | A (i) Items that will not be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | B (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| XIII | **Total Comprehensive Income for the period (XI + XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)** | | **-3,558,459** | **-1,906,933** |
| XIV | **Earnings per equity share (for continuing operation):** | | | |
| | (1) Basic | 22 | **-0.50** | **-0.27** |
| | (2) Diluted | | | |
| XV | **Earnings per equity share (for discontinued operation):** | | | |
| | (1) Basic | | | |
| | (2) Diluted | | | |
| XVI | **Earnings per equity share(for discontinued & continuing operations)** | | | |

| | | | | |
|---|---|---|---|---|
| | (1) Basic<br>(2) Diluted | | **-0.50** | **-0.27** |
| The accompanying notes are an integral part of these standalone financial statements | | | | |
| This is theStatement of Profit & Loss referred to in our report of even date | | | | |

**For G.P.Sharma & Co LLP**
**Chartered Accountants**
**Firm Regn No. 109957w /W100247**

**For and on behalf of the Board**

**Sd/-**
**Ca Utkarsh Sharma**
**M. No. 147906**
**Partner**
**Udin: 21147906aaaaj1332**

**Sd/-**
**Vishal R. Vardhan**
**(DIN : 03043125)**
**Managing Director**

**Sd/-**
**Rajesh B. Vardhan**
**(DIN : 00199986)**
**Director**

**Place : Mumbai**
**DATED : 12.05.2021**

**Sd/-**
**Trishala M. Kanungo**
**Chief Financial Officer**

**Sd/-**
**Burhanuddin Hotelwala**
**Company Secretary**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**VARDHMAN CONCRETE LIMITED**
**(CIN: L99999MH1982PLC028556)**
**Standalone Statement of Cash Flow**
**For the year ended 31st March 2021**

| NO. | PARTICULARS | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|---|
| A) | **Cash Inflow/ (Outflow) from Operating Activities** | | |
| | **Profit before exceptional items and tax as per statement of profit and loss** | **(3,665,866)** | **(2,012,257)** |
| | Adjustment for : | | |
| | Depreciation and Amortisation expense | 485,240 | 485,240 |
| | Finance Cost | 2,094,086 | 1,527,498 |
| | Interest & Other Income | (400,639) | (381,568) |
| | Profit/Loss from Joint Venture | 59,405 | - |
| | | (1,427,774) | (381,087) |
| | **Operating Profit before Working Capital Changes** | | |
| | Adjustment for : | | |
| | Increase/ (Decrease) in Trade Payables and Other Current Liabilities | 690,864 | (4,253,446) |
| | (Increase)/ Decrease in Trade Receivables & Other Current Assets | 46,743 | 1,820,166 |
| | (Increase)/ Decrease in Bank balances other than Cash and Cash equivalents above | (334,190) | (343,411) |
| | | 403,417 | (2,776,691) |
| | **Net Cash Inflow/ (Outflow) from Operating Activities (A)** | **(1,024,357)** | **(3,157,778)** |
| B) | **Cash Inflow/ (Outflow) from Investing Activities;** | | |
| | Interest Income | 400,639 | 381,568 |
| | Profit/(Loss) from Joint Venture | 330,309 | - |
| | **Net Cash Inflow/ (Outflow) from Investing Activities (B)** | **730,948** | **381,568** |
| C) | **Cash Inflow/ (Outflow) from Financing Activities:** | | |
| | **Inflows/ (Outflow)** | | |
| | Increase/ (Decrease) in Short Term Borrowings | 2,635,529 | 4,307,248 |
| | Financial Expenses | **(2,094,086)** | **(1,527,498)** |
| | **Net Cash Inflow/ (Outflow) from Financing Activities (C)** | **541,443** | **2,779,750** |
| | **Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)** | 248,034 | 3,540 |
| | Add: Cash & Cash Equivalents at the beginning of the Year | 284,461 | 280,922 |
| | **Balance as per statement of Cash Flows as the end of the year** | **532,495** | **284,462** |
| | **Cash and Cash Equivalents (Note 4)** | **532,495** | **284,462** |

The accompanying notes are an integral part of these financial statements

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**Notes:**

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

This is the Cash Flow Statement referred to in our report of even date

**For G.P.Sharma & Co LLP**
**Chartered Accountants**
**Firm Regn No. 109957w /W100247**

**For and on behalf of the Board**

**Sd/-**
**Ca Utkarsh Sharma**
**M. No. 147906**
**Partner**
**Udin: 21147906aaaaj1332**

**Sd/-**
**Vishal R. Vardhan**
**(DIN : 03043125)**
**Managing Director**

**Sd/-**
**Rajesh B. Vardhan**
**(DIN : 00199986)**
**Director**

**Place : Mumbai**
**DATED : 12.05.2021**

**Sd/-**
**Trishala M. Kanungo**
**Chief Financial Officer**

**Sd/-**
**Burhanuddin Hotelwala**
**Company Secretary**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**VARDHMAN CONCRETE LIMITED**

**Standalone Statement of Changes in Equity**
**for the period ended 31st Mar 2021**

**(A) Equity Share Capital** **(Rs. in Crores)**

| | Notes | Amount |
|---|---|---|
| As at 1st April, 2019 | 7A | 73,136,250 |
| Changes in equity share capital | | - |
| As at 1st April, 2020 | | 73,136,250 |
| Changes in equity share capital | | - |
| As at 31st March, 2021 | | 73,136,250 |

**(B) Other Equity (Refer Note 7B)**

| | Reserves and Surplus | | Total |
|---|---|---|---|
| | Securities Premium | Retained Earnings | |
| **Balance as at 1st April, 2019** | **12,600,000** | **-156,806,488** | **-144,206,488** |
| Profit for the year | - | -1,906,933 | **-1,906,933** |
| Short Tax Provision | | - | **-** |
| Other Comprehensive Income for the year | - | - | **-** |
| **Total Comprehensive Income for the year** | - | - | **-** |
| **Balance as at 31st March, 2020** | **12,600,000** | **-158,713,421** | **-146,113,421** |
| **Balance as at 1st April, 2020** | **12,600,000** | **-158,713,421** | **-146,113,421** |
| Profit for the year | - | -3,558,459 | **-3,558,459** |
| Short Tax Provision | | | |
| Prior Period Income | | 389,714 | **389,714** |
| Other Comprehensive Income for the year | - | - | **-** |
| **Total Comprehensive Income for the year** | - | - | **-** |
| **Balance as at 31st Mar, 2021** | **12,600,000** | **-161,882,165** | **-149,282,165** |
| The accompanying notes are an integral part of these standalone financial statements | | | |
| This is the Statement of changes in Equity referred to in our report of even date | | | |

**For G.P.Sharma & Co LLP**
**Chartered Accountants**
**Firm Regn No. 109957w /W100247**

**Sd/-**
**Ca Utkarsh Sharma**
**M. No. 147906**
**Partner**
**Udin: 21147906aaaaj1332**

**Place : Mumbai**
**DATED : 12.05.2021**

**For and on behalf of the Board**

**Sd/-**
**Vishal R. Vardhan**
**(DIN : 03043125)**
**Managing Director**

**Sd/-**
**Rajesh B. Vardhan**
**(DIN : 00199986)**
**Director**

**Sd/-**
**Trishala M. Kanungo**
**Chief Financial Officer**

**Sd/-**
**Burhanuddin Hotelwala**
**Company Secretary**

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

***Notes to the Financial Statements***
***for the year ended 31st March, 2021***

## *1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES*

### I. Background

Vardhman Concrete Limited (The Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange (BSE) in India. The registered office of the Company is located at Lohop Village, Taluka Khalapur, Dist. Raigad, Maharashtra.

The Company's principal activity is of Precast prestress concrete including Designing, procuring, constructing, commissioning and or managing all works of roads, bridges, buildings, Industrial structures, transmission line poles, Power stations, reactors, space facilities, silos, storages godowns, culverts, docks, harbours, piers, wharves, canals, reservoirs, dams, embankments, irrigation works, reclamation, water supply works water and drainage carriage systems, water and sewerage treatment works, sewerage disposal works, water and sewerage pumping stations, storm water and surface drainage, sanitation gas, telephonic, telegraphic and power supply works and all other works.

### II. Significant Accounting Policies followed by the Company

#### A. Basis of preparation

i. **Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

ii. **Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

1. certain financial assets and liabilities that are measured at fair value;
2. assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3. defined benefit plans - plan assets measured at fair value;

iii. Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

iv. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

#### B. Use of Estimates and judgments

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**C. Property, Plant and Equipment**

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**Depreciation methods, estimated useful lives and residual value**

a. Depreciation is provided on straight line method according to the rates specified in Schedule II of Companies Act, 2013.

b. In respect of the assets purchased / sold during the year, pro rata depreciation based on number of days is provided.

c. Depreciation on assets costing up to Rs. 5,000/- is provided at the rate of 100%.

d. Depreciation on revalued assets has been provided on revalued amounts. Additional depreciation on revaluation is adjusted against transfer of equivalent amount from Revaluation Reserve.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

| Fixed Asset | Useful Life | Residual Value |
|---|---|---|
| Factory Building | 30 years | 5% |

**Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**D. Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less

that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**E. Inventories**

a) Finished Goods (Prefabricated Goods)
Finished Goods are valued at Cost or Market Value whichever is lower.

b) Construction Materials
Stock of materials lying at stores/sites has been valued at cost on first-in first-out basis, by the concerned store/site-in-charge.
Loose tools are charged to Profit & Loss Account as and when purchased.

c) Work in Progress
Work in Progress is accounted on progressive basis.

**F. Borrowings**

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

**G. Borrowing costs**

Interest and other borrowing costs attributable to qualifying assets are capitalised. All other interest and borrowing costs are charged to Statement of Profit and Loss.

**H. Provisions and Contingent liabilities**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liability is disclosed in case of:

a. A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
b. A possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed.

**Contingent liabilities not provided for**

a. The Company has pending claims on customers for variation in contract work. In certain cases which are currently under arbitration, the customers have raised counter-claims for which exact liability cannot be ascertained. The Company has received legal advice that none of the counter-claims are legally tenable.

b. The Company has pending arbitration matters for one side for claims and the exact liability and claims are not determinable. There are no claims made against the company whatsoever except as stated above.

**I. Contingencies and Events Occurring after the Balance Sheet date**

Adjustment to assets and liabilities are made for events occurring between balance sheet date and the date on which the financial statements are approved that provide additional

information materially affecting the determination of the amounts relating to the conditions existing at the balance sheet date.

**J. Prior period items**

Prior period items are income and expenses that arises in the current period as a result of errors and omissions in the preparation of the financial statements of the one and more prior periods. Prior period does not include other adjustments necessitated by circumstances, which though related to prior periods, are determined in the current period.

**K. Revenue Recognition**

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, discounts, loyalty discount, GST and amounts collected on behalf of third parties.
The Company recognises revenue when the amount of revenue can be reliably measured, It is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities are described below.

**Revenue from Services**

**Revenue from services is recognised in the accounting period in which the services are rendered.**

**L. Employee benefits**

a) Short term employee benefits are recognized as expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

b) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

**Retirement benefits**

a) Contributions to the provident fund, a defined contribution scheme, are charged to the Statement of Profit and Loss.

b) Gratuity has been accounted on actuarial valuation. Any curtailment in the liability during the year is recognized as Income and credited to Statement of Profit & Loss.

c) Presently, the Company does not have any other defined benefit for staff payable on retirement/ cessation of service.

**M. Taxation**

Income tax comprises of Current Tax and Deferred Tax. Current Tax is the amount of tax payable as determined in accordance with the provisions of Income Tax Act, 1961. Deferred Tax charge or credit is recognized using the tax rates and tax laws that have been substantially enacted at the Balance Sheet date. Where there is unabsorbed depreciation or carry forward losses, Deferred Tax Assets are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized. Other Deferred Tax Assets are recognized only to the extent there is reasonable certainty of realization in future.

Undisputed assessment dues if any, are accounted on cash basis and disputed matters under appeal are disclosed by way of contingent liabilities.

**Note 2 Property, Plant and Equipment**

| | Land | Buildings | Total |
|---|---|---|---|
| **Gross Carrying Amount** | | | |
| Balance as at 1st April, 2020 | 1,891,040 | 15,307,272 | 17,198,312 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Reclassification | - | - | - |
| **Balance as at 31st Mar, 2021** | **1,891,040** | **15,307,272** | **17,198,312** |
| | | | |
| Accumulated Depreciation | | | |
| Balance as at 1st April, 2020 | - | 11,401,091 | 11,401,091 |
| Additions | - | 485,240 | 485,240 |
| Disposals | - | - | - |
| Reclassification | - | - | - |
| Balance as at 31st Mar, 2021 | - | 11,886,331 | 11,886,331 |
| Net carrying amount | | | |
| Balance as at 1st April, 2020 | 1,891,040 | 3,906,181 | 5,797,221 |
| Balance as at 31st Mar, 2021 | 1,891,040 | 3,420,941 | 5,311,981 |

**Note 3 Trade receivables**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Trade Receivables (Refer Note 27) | 36,280,200 | 36,560,200 |
| Less: Trade receivables written off as Bad Debts | | |
| **Total receivables** | **36,280,200** | **36,560,200** |
| | | |
| **Break-up of security details** | | |
| Secured, considered good | | |
| Unsecured, considered good | 36,280,200 | 36,560,200 |
| Doubtful | | |
| **Total** | **36,280,200** | **36,560,200** |
| **Allowance for Bad Debts on trade receivables** | | |
| **Total trade receivables** | **36,280,200** | **36,560,200** |

**Note 4 Cash and cash equivalents**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Cash on hand | 268,406 | 268,405 |
| Balances with Banks - In current accounts | 264,090 | 16,055 |
| **Total** | **532,495** | **284,461** |

**Note 5** **Bank Balances other than cash and cash equivalents**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Investment in Term Deposits<br>Term Deposit and Interest Accrued thereon<br>(Refer Note 35) | 6,681,721 | 6,347,531 |
| **Total** | **6,681,721** | **6,347,531** |

**Note 6** **Other Current assets**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Deposits with others | 6,403,190 | 6,403,190 |
| Advance Recoverable in cash or kind | 10,465,825 | 10,465,825 |
| TDS, MAT and ITC | 2,687,190 | 2,843,647 |
| Advance to Supplier<br>(Refer Note 28) | 7,281,804 | 7,281,804 |
| Balance in Joint Venture- DKS(JV)<br>(Refer Note 29) | 389,714 | - |
| **Total** | **27,227,723** | **26,994,466** |

**Note 7 (A)** **Equity Share Capital**

| PARTICULARS | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| **Authorised:**<br>2,50,00,000 Equity Shares of Rs.10/- each | 250,000,000 | 250,000,000 |
| | **250,000,000** | **250,000,000** |
| **Issued:**<br>71,56,600 Equity Shares of Rs. 10/- each | 71,566,000 | 71,566,000 |
| | **71,566,000** | **71,566,000** |
| **Subscribed and Paid up:**<br>71,56,600 Equity Shares of Rs. 10/- each<br>Add: Forfeited Shares (Amount Originally Paid Up) | 71,566,000<br>1,570,250 | 71,566,000<br>1,570,250 |
| | **73,136,250** | **73,136,250** |

**Reconciliation of number of shares**

| Particulars | As at 31st March, 2021 | | As at 31st March 2020 | |
|---|---|---|---|---|
| | No of Shares | Amount | No of Shares | Amount |
| Balance as at beginning of the year | 7,156,600 | 71,566,000 | 7,156,600 | 71,566,000 |
| Add: Shares issued during the year | - | - | - | - |
| Balance as at the end of the year | 7,156,600 | 71,566,000 | 7,156,600 | 71,566,000 |

**Rights, preference and restrictions attached to shares**

**Equity Shares :** The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, except in the case of interim dividend, is subject to the approval of the shareholders in the ensuing Annual General Meeting, In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

| Particulars | As at 31st March, 2021 | | As at 31st March 2020 | |
|---|---|---|---|---|
| | No of Shares | Percentage of Holding | No of Shares | Percentage of Holding |
| Vardhan Capital & Finance Ltd. | 1,189,063 | 16.61 | 1,189,063 | 16.61 |
| Rajesh B. Vardhan | 569,850 | 7.96 | 569,850 | 7.96 |
| Kanaiyalal J. Patel | 404,900 | 5.66 | 404,900 | 5.66 |

**Other Equity (7B)**

| | Reserves and Surplus | | Total |
|---|---|---|---|
| | Securities Premium Reserve | Retained Earnings | |
| Balance as at 1st April, 2019 | 12,600,000 | -156,806,488 | -144,206,488 |
| Profit for the year | - | -1,906,933 | -1,906,933 |
| Short Tax Provision | - | - | - |
| Total Comprehensive Income for the year | - | - | - |
| Balance as at 31st March., 2020 | 12,600,000 | -158,713,421 | -146,113,421 |
| Balance as at 1st April, 2020 | 12,600,000 | -158,713,421 | -146,113,421 |
| Profit for the year | - | -3,558,459 | -3,558,459 |
| **Short Tax Provision** | **-** | **-** | **-** |
| **Prior Period Income** | **-** | **389,714** | **389,714** |
| **Total Comprehensive Income for the year** | | | |
| **Balance as at 31st Mar, 2021** | **12,600,000** | **-161,882,165** | **-149,282,165** |

**Note 8 Deferred Tax Liability (Net)**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Deferred Tax Liability (Net) | 7,20,653 | 8,28,061 |
| **Total** | **7,20,653** | **8,28,061** |

**Note 9 Other Non - current liabilities**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Overdrawn Blance in Joint Venture - Divnity (Refer Note 29) | 69,00,570 | 68,41,020 |

| | | |
|---|---|---|
| **Total** | **69,00,570** | 68,41,020 |

**Note 10 Current borrowings**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| **Unsecured** | | |
| Vardhman Growmore Developers P. Ltd. | 4,46,84,951 | 4,40,47,080 |
| Vardhman Home Developers P. Ltd. | 4,46,60,854 | 4,40,49,665 |
| Stork Realtors P. Ltd. | 5,26,44,646 | 5,12,58,177 |
| **Total** | **14,19,90,451** | **13,93,54,922** |

**Note 11 Trade Payables**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| **Trade payables** | | |
| **Others** | 595,554 | 595,554 |
| **Total** | **595,554** | **595,554** |
| ***As at March 31, 2021 and March 31, 2020, as informed by the management there are no outstanding dues to Micro, Small and Medium enterprises. There is no interest due or outstanding on the same.*** | | |

**Note 12 Provisions**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Audit Fees Payable | 100,000 | 100,000 |
| Bonus Payable | 129,230 | 129,230 |
| Leave Salary Payable | 202,976 | 202,976 |
| Outstanding Expenses | 1,087,148 | 507,445 |
| Salary Payable | 135,000 | 94,152 |
| Professional & Consultancy charges Payable | 108,360 | 108,360 |
| **Total** | **1,762,714** | **1,142,163** |

**Note 13 Other Current liabilities**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| TDS Payable | 167,685 | 157,704 |
| GST Payable | 32,508 | 37,926 |
| Profession Tax (PTEC) | 5,000 | 2,500 |
| Profession Tax (PTRC) | 4,900 | 1,200 |
| **Total** | **210,093** | **199,330** |

**(Company with Concrete Base)**

**CIN: L99999MH1982PLC028556**

**Note 14 Revenue from Operations**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Sale of Products | - | - |
| Sale of Services | - | - |
| **Total** | **-** | **-** |

**Note 15 Other Income**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Interest from Bank Deposit | 3,77,074 | 3,81,568 |
| Interest from Income Tax Refund | 23,565 | 1,62,925 |
| Profit / Loss from Diviniti | 59,405 | |
| Sundry balances w/off | - | 21,40,299 |
| **Total** | **3,41,234** | **26,84,792** |

**Note 16 Employee benefits expense**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Salaries, Leave & Other Benefits | 1,82,500 | 1,87,925 |
| Staff Welfare Expenses | - | 2,779 |
| **Total** | **1,82,500** | **1,90,704** |

**Note 17 Finance costs**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Interest to Other than Bank<br>*Due to Covid 19, Management had decided not to provide interest for Quarter 4 for the FY 2019-20* | 20,94,086 | 15,27,498 |
| **Total** | **20,94,086** | **15,27,498** |

**Note 18 Depreciation and amortization expenses**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Depreciation on Property, Plant and Equipment (Refer Note 2) | 4,85,240 | 4,85,240 |
| **Total** | **4,85,240** | **4,85,240** |

**Note 19 Construction & Operating costs**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|

| | | |
|---|---|---|
| Electricity Charges | 9,660 | 9,340 |
| **Total** | **9,660** | **9,340** |

**Note 20 Other expenses**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Auditors Remuneration | 100,000 | 100,000 |
| Bank Charges | 1,734 | 2,335 |
| TDS Prosecution-Compounding Fees | - | 1,136,234 |
| Depository Charges | 28,000 | 27,000 |
| Filing Fees | 2,400 | 13,800 |
| Land Revenue Tax | 283,175 | 283,175 |
| Listing Fees | 300,000 | 300,000 |
| Office Expenses | - | 2,060 |
| Late Payment of GST | 450 | 1,270 |
| Interest on delay payment of statutory dues | 8,512 | 128,811 |
| Printing & Stationery | - | 802 |
| Professional & Consultancy Charges | 147,643 | 113,543 |
| Profession Tax | 2,500 | 2,500 |
| Security Charges | 361,200 | 361,200 |
| Telephone Expenses | - | 1,956 |
| Travelling & Conveyance | - | 9,581 |
| **Total** | **1,235,614** | **2,484,267** |

**Note 21 Income tax expenses**

**Tax expenses recognized in the Statement of Profit and Loss**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| **Current tax** | | |
| Current tax on taxable income for the year | - | - |
| **Total current tax expense** | - | - |
| **Deferred tax** | - | - |
| Deferred tax charge / (credit) | -1,07,408 | -1,07,408 |
| MAT Credit (taken)/ utilised | -- | - |
| **Total deferred income tax expense / (benefit)** | | |
| **Total income tax expense** | **-1,07,408** | **-1,07,408** |

**Note 22 Earnings per share**

| | As at 31st March, 2021 | As at 31st March 2020 |
|---|---|---|
| Earnings per share has been computed as under: | | |
| Profit / (Loss) for the year | -3,558,459 | -1,906,933 |
| Weighted average number of equity shares outstanding | 7,156,600 | 7,156,600 |

| | | |
|---|---|---|
| Earnings per share(`) - Basic (Face value of ` 10 per share) | -0.50 | -0.27 |

**23 Contingent Liability**

| Particulars | Amount (Rs. In Lakhs) |
|---|---|
| 1) in respect of Bank Gurantee | 53.52 |

**24 Auditor Remuneration**

| Particulars | Amount (Rs.) |
|---|---|
| 1) Auditors Remuneration | 100,000 |
| 2) GST on above | 18,000 |
| **Total** | **118,000** |

**25 Going Concern**

Though the Company's losses have exceed the net worth, the Company has received large orders and on the basis of positive future projection prepared, the Company is expecting turn around by itself. Therefore the Company believes that there will be turnaround and accordingly the accounts are prepared on a going concern basis.

**26 Fixed Assets**

The Management is in the process of updating the fixed assets register, considering the nature of the assets no major discrepancies are anticipated. Based on the same no impairment is required.

Trade Receivable include of Rs.362.80 Lacs is under dispute and company has taken the legal recourse for its recovery.

**27**

These items are under close and constant recovery of the management. The Management is hopeful about the recovery of the same, hence no provision has been considered necessary by the management.

Other Current Assets include Rs. 222.96 Lacs in respect of which the confirmations are not available with the Company, i.e., Deposit with other of Rs.59.62 Lacs, Advance to suppliers of Rs. 72.81 Lacs and Money with Rajasthan Urban Infrastructure Development of Rs. 90.52 Lacs

**28**

These items are under close and constant recovery of the management. The Management is hopeful about the recovery of the same, hence no provision has been considered necessary by the management.

**29 Investment in subsidiaries, joint ventures and associates**

The Company has entered into a Joint Venture named "Diviniti" for Construction of Low Cost Housing and related Infrastructure work under the Jawaharlal Nehru Scheme in which the partners are as under:

a. Sumer Infrastructure Private Limited -34%
b. Vardhman Concrete Limited -33%
c. S V Inova Build Private limited -33%

As on 31 March 2021, the Company has overdrawn balance of Rs. 69.01 Lacs in Diviniti. During the current year and previous there was no transaction from Diviniti also the financials for the year ended March 2021 is not available and accordingly no transaction is being booked. The closing credit balance of Rs 69.01 Lacs (which is inclusive of any share of Profit/ Loss in the Joint Venture) is shown in Note No 9.

The accounts of Diviniti for year March 2021 are not yet finalized and therefore disclosures as required by Ind AS - 111 "Joint Arrangements" are not given.

The Company has entered into a Joint Venture named "DKS(JV)" for Construction of Low Cost Housing and related Infrastructure work under the Jawaharlal Nehru Scheme in which the partners are as under:

a. M/s. DK Infrastructure Pvt Ltd - 50%
b. Sumer Corporation,Vardhman Concrete Limited & SV Jiwani - 50%
   As on 31 March 2021, the Company has balance of Rs. 3.90 Lacs in DKS(JV). During the current year there was no transaction from DKS(JV) also the financials for the year ended March 2021 is not available and accordingly no transaction is being booked. The closing debit balance of Rs 3.90 Lacs (which is inclusive of any share of Profit/ Loss in the Joint Venture) is shown in Note No 9.

The accounts of DKS(JV) for year March 2021 are not yet finalized and therefore disclosures as required by Ind AS - 111 "Joint Arrangements" are not given.

**30** Imports calculated on CIF basis : Nil

**31** Expenditure in Foreign Currency : Nil

**32** Earnings in Foreign Currency on FOB basis : Nil

**33** The company has entered into contract with Nanded Muncipal Corporation for executing certain contracts for which The Company has given the guarantees to Nanded Muncipal Corporation. However, the same could not be materialised. Presently the matter is sub-judice in the Court. In the opinion of the management, the liability, if any, in no case,will not exceed the amount of bank guarantee.

**34** In the Opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated in the Balance Sheet as at 31st March, 2021 if realized in the ordinary course of business. Provision for depreciation and all known liabilities has been made and is adequate and not in excess of the amount reasonably necessary.

**35** Bank Balance other than cash and cash equivalent are liened against the bank guarantees as referred in Note no. 23 herein above.

**36** The Balance of Sundry Debtors, Sundry Creditors and unsecured loans and Others are Subject to confirmation and reconciliation

37 Previous year figures have been regrouped / rearranged or reclassified wherever considered necessary.

38 **Related Party Disclosures**

i

| | | |
|---|---|---|
| a) | Where Control Exists | None |
| b) | Key Management Personnel | Ramesh B. Vardhan<br>Rajesh B. Vardhan<br>Vishal Vardhan<br>Trishala Kanungo |
| c) | Relatives of Key Management Personnel | None |
| d) | Other Related Parties | Vardhman Growmore Developers Pvt Ltd<br>Vardhman Home Developers Pvt Ltd<br>Stork Realtors Pvt Ltd<br>Diviniti<br>DKS (JV)<br>Vardhan Capital & Finance Limited |

ii **Transactions with Related Parties**

With Key Management Personnel and Their Relatives

| | **Type of Related Party** | **Nature of Transaction** | **Amount (Rs.)** | **Amount Outstanding (Rs.)** |
|---|---|---|---|---|
| a) | Key Management Personnel | Nil | Nil | N.A. |
| b) | Relatives of Key Management Personnel | Nil | Nil | Nil |

With Other Related Parties (Amount in Rs. Lakhs)

| | **Inter Corporate Loan taken** | | | **Joint Venture** | |
|---|---|---|---|---|---|
| | **Vardhman Growmore Developers Pvt. Ltd.** | **Vardhman Home Developers Pvt. Ltd.** | **Stork Realtors Pvt. Ltd.** | **Diviniti** | **DKS(JV)** |
| **Balance as at 1st April, 2019** | **436.04** | **436.06** | **478.38** | **68.41** | **3.91** |
| New loan taken / Interest credited | 4.43 | 4.44 | 56.10 | - | - |
| Loan repaid / TDS deducted / Share of Profit/Loss | - | - | 21.90 | - | 0.01 |
| Balance as at 31st March, 2020 | 440.47 | 440.50 | 512.58 | 68.41 | 3.90 |
| Balance as at 1st April, 2020 | 440.47 | 440.50 | 512.58 | 68.41 | 3.90 |

| | | | | | |
|---|---|---|---|---|---|
| New loan taken / Interest credited | 6.21 | 5.95 | 13.67 | 0.60 | - |
| Loan repaid / TDS deducted / Share of profit | | | | | |
| **Balance as at 31st March, 2021** | **446.68** | **446.45** | **526.25** | **69.01** | **3.90** |

**For G.P.Sharma & Co LLP**
**Chartered Accountants**
**Firm Regn No. 109957w /W100247**

**Sd/-**
**Ca Utkarsh Sharma**
**M. No. 147906**
**Partner**
**Udin: 21147906aaaaj1332**

**Place : Mumbai**
**DATED : 12.05.2021**

**For and on behalf of the Board**

**Sd/-**
**Vishal R. Vardhan**
**(DIN : 03043125)**
**Managing Director**

**Sd/-**
**Rajesh B. Vardhan**
**(DIN : 00199986)**
**Director**

**Sd/-**
**Trishala M. Kanungo**
**Chief Financial Officer**

**Sd/-**
**Burhanuddin Hotelwala**
**Company Secretary**