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Independent Auditor's Report

To the Members of Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)** ('the Company'), which comprise the Balance Sheet as at **31 March 2024**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. 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 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Recoverability of Trade Receivables

4. We draw attention to Note 13.1 to the accompanying financial statements, which describe an uncertainty to the outcome of an ongoing litigation with a customer on recoverability of balance amounting to INR 2,929 lakhs due from such customer, which is currently pending in the Commercial Court, Jaipur. The management based on their internal evaluation and legal advice as obtained, is of the view that the aforesaid amount receivable is good and recoverable and no liability is likely to arise on the aforesaid matter, and accordingly, no adjustments have been made to the financial statements in this respect. Our opinion is not modified in respect of this matter.



Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

9. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' 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; and
 - 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.
11. 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.

Other Matter

12. The comparative financial information for the year ended 31 March 2023 and the transition date opening balance sheet as at 01 April 2022 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued statutory financial statements for the years ended 31 March 2023 and 31 March 2022, respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 (as amended), which were audited by the predecessor auditor, Manish Kumar Agarwal & Co., Chartered Accountants, whose reports dated 28 August 2023 and 11 August 2022, respectively expressed unmodified opinion on the financial statements for the years ended 31 March 2023 and 31 March 2022, respectively and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

13. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
14. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - 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 except for the matter stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;



Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Hyderabad, Indore, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandio & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

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- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 15(b) above on reporting under section 143(3)(b) of the Act and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in Note 40(i) and Note 13.1 to the accompanying financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
 - ii. the Company, as detailed in Note 24.1 to the accompanying financial statements, has made provision as at 31 March 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
 - iv.a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 54 to the accompanying financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - iv.b. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 53 to the accompanying financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - iv.c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v.a. The final dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
 - v.b. As stated in Note 44 to the accompanying financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.



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- vi. As stated in Note 56 to the accompanying financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 01 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. The database of the same accounting software is managed by a third-party service provider. In the absence of any information on existence of audit trail (edit log) facility for any direct data changes made at the database level in the 'Independent Service Auditor's Report on the Description of Controls their Design and Operating Effectiveness ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, where such feature is enabled.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal

Partner

Membership No. 109632

UDIN: 24109632BKFBKR6459

Place: Mumbai

Date: 07 August 2024

Annexure A referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited) on the financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, investment property and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment, investment property and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties including investment properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), as disclosed in Notes 4A and 4B to the accompanying financial statements, are held in the name of the Company.
- (d) The Company has adopted cost model for its property, plant and equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of goods-in-transit, these have been confirmed from corresponding receipt inventory records.

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- (b) As disclosed in Note 19 to the accompanying financial statements, the Company has been sanctioned a working capital limit in excess of INR 500 lakhs by banks and financial institutions based on the security of current assets. The quarterly returns/ statements, in respect of the working capital limits have been filed by the Company with such banks and financial institutions and such returns/ statements are in agreement with the books of account of the Company for the respective periods which were not subjected to audit/review, except for the following:

(INR in lakhs)

Name of the bank	Working capital limits sanctioned	Nature of current assets held as security	Quarter ended	Particulars of securities provided	Amount disclosed as per return	Amount as per books of account	Difference
Consortium of banks	13,000	All the current assets of the Company	June 2023	Inventories	4,730	4,407	323
				Trade receivables	46,296	44,890	1,406
			September 2023	Inventories	5,410	4,962	448
				Trade receivables	40,691	40,424	267
			December 2023	Inventories	5,666	5,135	531
				Trade receivables	38,239	37,904	335
			March 2024	Inventories	5,112	5,073	40
				Trade receivables	64,904	61,637	3,267

- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act, during the year. Accordingly, reporting under clause 3(iv) 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 or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's services. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (INR in lakhs)	Amount paid under Protest (INR in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	397	78	AY 2016-17	Commissioner of Income tax (Appeals)
		3	0 *	AY 2017-18	Commissioner of Income tax (Appeals)
		6	Nil	AY 2018-19	Assistant Commissioner of Income tax
		7	Nil	AY 2021-22	Deputy Commissioner of Income tax
		2	Nil	AY 2022-23	Assistant Commissioner of Income tax
Goods & Service Tax Act, 2017	Goods and Service Tax	5,362	800	FY 2017-18	Commissioner, Central Goods and Service Tax & Central Excise (Appeals), Thane
		674	Nil	FY 2018-19 to 2020-21	CGST & Central Excise, Commissionerate, Indore

* Absolute amount less than INR 50,000.

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.



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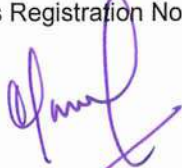
- (b) As disclosed in Note 17(f) to the accompanying financial statements, during the year, the Company has made private placement of equity shares. In our opinion and according to the information and explanations given to us, the Company has complied with the applicable requirements of section 42 and section 62 of the Act and the rules framed thereunder with respect to the same. Further, the amounts so raised have been utilised by the Company for the purposes for which these funds were raised.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act, to the extent applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response received by us pursuant to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.



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- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) As stated in Note 42 to the accompanying financial statements and according to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 24109632BKFBKR6459

Place: Mumbai
Date: 07 August 2024

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Annexure B

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of **Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)** ('the Company') as at and for the year ended **31 March 2024**, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ('Guidance Note') issued by the Institute of Chartered Accountants of India. 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 authorisations 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.



Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Hyderabad, Indore, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandio & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Independent Auditor's Report on the Audit of the Financial Statements

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

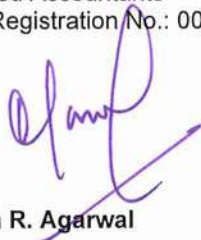
Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Rakesh R. Agarwal

Partner

Membership No. 109632

UDIN: 24109632BKFBKR6459

Place: Mumbai

Date: 07 August 2024

Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Balance Sheet as at 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Assets				
Non-current assets				
a) Property, plant and equipment	4A	864	914	1,028
b) Investment properties	4B	207	207	207
c) Intangible assets	5	23	95	169
d) Right-of-use assets	6	95	181	61
e) Financial assets				
i) Other financial assets	8	3,367	5,119	1,894
f) Deferred tax assets (net)	9	876	586	361
g) Non current tax assets (net)	10	388	324	455
h) Other non-current assets	11	506	578	384
Total non-current assets		6,326	8,004	4,559
Current assets				
a) Inventories	12	5,073	3,565	3,214
b) Financial assets				
i) Investments	7	90	81	39
ii) Trade receivables	13	46,390	36,991	36,403
iii) Cash and cash equivalents	14	8	12	14
iv) Bank balances other than above	15	4,900	1,430	2,342
v) Other financial assets	8	398	179	470
c) Contract assets	16	28,916	19,464	429
d) Other current assets	11	3,879	1,521	518
Total current assets		89,654	63,243	43,429
Total assets		95,980	71,247	47,988
Equity and Liabilities				
Equity				
a) Equity share capital	17	33	29	29
b) Other equity	18	29,096	13,084	8,892
Total equity		29,129	13,113	8,921
Liabilities				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings	19	1,070	3,650	3,685
ii) Lease liabilities	20	38	75	27
b) Provisions	24	281	212	191
Total non-current liabilities		1,389	3,937	3,903
Current liabilities				
a) Financial liabilities				
i) Borrowings	19	17,269	11,841	8,186
ii) Lease liabilities	20	36	95	37
iii) Trade payables				
- Dues of micro and small enterprises	21	4,826	8,964	4,049
- Dues of trade payables other than micro and small enterprises		24,866	20,358	17,568
iv) Other financial liabilities	22	409	390	14
b) Other current liabilities	23	15,206	10,345	4,754
c) Provisions	24	1,059	1,642	556
d) Current tax liabilities (net)	25	1,791	562	-
Total current liabilities		65,462	54,197	35,164
Total liabilities		66,851	58,134	39,067
Total equity and liabilities		95,980	71,247	47,988

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

This is the Balance Sheet referred to in our report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration Number: 001076N / N500013

Rakesh R. Agaryal
Partner
Membership No. : 109632
Place: Mumbai
Date: 07 August 2024



For and on behalf of the Board of Directors

Rakesh Markhedkar
Managing Director
DIN : 07009284
Place: Thane
Date: 07 August 2024

Ashish Bahety
Chief Financial Officer
Place: Thane
Date: 07 August 2024

Avinash Markhedkar
Director
DIN : 03089201
Place: Thane
Date: 07 August 2024

Kajal Rakholiya
Company Secretary
Place: Thane
Date: 07 August 2024



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	26	78,595	52,431
Other income	27	549	487
Total income		79,144	52,918
Expenses			
Cost of materials consumed	28	38,496	26,648
Project related expense	29	16,777	9,618
Employee benefits expense	30	5,896	4,053
Finance costs	31	3,199	2,822
Depreciation and amortisation expense	32	405	369
Other expenses	33	4,096	4,140
Total expenses		68,869	47,650
Profit before exceptional items and tax		10,275	5,268
Exceptional items - gain (net)	34	-	130
Profit before tax		10,275	5,398
Tax expense / (credit)			
Current tax	35	3,074	1,342
Deferred tax	9	(284)	(228)
		2,790	1,114
Profit for the year (a)		7,485	4,284
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss:			
Remeasurement of post employment benefit obligations		(28)	13
Income-tax relating to items that will not be reclassified to statement of profit or loss		7	(3)
Total other comprehensive income/ (loss) for the year (net of tax) (b)		(21)	10
Total comprehensive income for the year (a+b)		7,464	4,294
Earnings per equity share (Face value of INR 10 each)	36		
Basic earnings per share (in INR)		2,507.40	1,475.39
Diluted earnings per share (in INR)		2,507.40	1,475.39

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

This is the Statement of Profit and Loss referred to in our report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration Number: 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No. : 109632
Place: Mumbai
Date: 07 August 2024



For and on behalf of the Board of Directors


Rakesh Markhedkar
Managing Director
DIN : 07009284
Place: Thane
Date: 07 August 2024




Avinash Markhedkar
Director
DIN : 03089201
Place: Thane
Date: 07 August 2024


Ashish Bahety
Chief Financial Officer
Place: Thane
Date: 07 August 2024


Kajal Rakholiya
Company Secretary
Place: Thane
Date: 07 August 2024

Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Statement of cash flows for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		10,275	5,398
Adjustments for:			
Balances written off/(written back) (net)		(465)	22
Depreciation and amortisation expense	32	405	369
Finance costs on borrowings and leases	31	3,007	2,550
Interest income	27	(329)	(211)
Net gain on sale/ change in fair value of mutual fund investments	27	(10)	(2)
Gain on sale of property, plant and equipment (net)	27	-	(2)
Inventories written down	12	55	193
Allowance/ (write back) for expected credit loss	13	517	(270)
Exceptional gain (net)	34	-	(130)
Operating profit before working capital changes		13,455	7,917
(Increase)/decrease in inventories	12	(1,563)	(544)
(Increase)/decrease in trade receivables	13	(9,917)	(317)
(Increase)/decrease in contract assets	16	(9,452)	(19,035)
(Increase)/decrease in other assets	8 & 11	(2,471)	(1,727)
Increase/(decrease) in trade payables	21	842	7,836
Increase/(decrease) in other liabilities	23	4,880	5,967
Increase/(decrease) in provisions	24	(513)	1,107
Cash generated from/ (used in) operations		(4,739)	1,204
Income taxes paid (net)	10	(1,909)	(649)
Net cash generated from/ (used in) operating activities - [A]		(6,648)	554
B. CASH FLOW FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment and intangible assets (including capital advances and payable for capital goods)	4A, 4B & 5	(205)	(93)
Proceeds from sale of property, plant and equipment	4A, 4B & 5	-	5
Purchase of investments	7	-	(41)
Maturity/(increase) in fixed deposits (not considered as cash and cash equivalent)	15	(1,718)	(1,513)
Interest received	27	329	211
Net cash generated from/ (used in) investing activities - [B]		(1,594)	(1,431)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares (including securities premium)	17	8,150	-
Payment of lease liabilities (including interest thereon)	20	(104)	(80)
Proceeds from long term borrowings	19	348	740
Repayment of long term borrowings	19	(1,935)	(701)
Proceeds from short term borrowings	19	5,794	3,782
Repayment of short term borrowings	19	(625)	(404)
Dividend paid	44	(392)	(102)
Finance costs on borrowings paid	27	(2,998)	(2,360)
Net cash generated from/ (used in) financing activities - [C]		8,238	875
Net (decrease)/ increase in cash and cash equivalents - [A+B+C]		(4)	(2)
Cash and cash equivalents at the beginning of the year		12	14
Cash and cash equivalents at the end of the year (Refer note 14)		8	12
Non-cash financing activity : Conversion of borrowings into equity	19	794	-
Non-cash investing activity : Acquisition of right-of-use assets	6	-	197

Notes:

- Figures in brackets represents outflow of cash and cash equivalents.
- The statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows".
- The accompanying notes form an integral part of these financial statements.

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

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration Number: 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No. : 109632
Place: Mumbai
Date: 07 August 2024



For and on behalf of the Board of Directors

Rakesh Markhedkar
Managing Director
DIN : 07009284
Place: Thane
Date: 07 August 2024

Ashish Bahety
Chief Financial Officer
Place: Thane
Date: 07 August 2024

Avinash Markhedkar
Director
DIN : 03089201
Place: Thane
Date: 07 August 2024

Kajal Rakholiya
Company Secretary
Place: Thane
Date: 07 August 2024



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Notes	Number of shares	Amount
Issued, subscribed and fully paid-up Equity shares of INR 10 each			
As at 01 April 2022	17	2,90,378	29
Increase/ (decrease) during the year		-	-
As at 31 March 2023	17	2,90,378	29
Increase/ (decrease) during the year		41,651	4
As at 31 March 2024	17	3,32,029	33

B. Other equity

Particulars	Reserves and surplus		
	Securities premium	Retained earnings	Total
As at 01 April 2022	1,374	7,518	8,892
Profit for the year	-	4,284	4,284
Dividend paid during the year	-	(102)	(102)
Other comprehensive income / (loss) (net of tax)	-	10	10
Balance as at 31 March 2023	1,374	11,710	13,084
Profit for the year	-	7,485	7,485
Dividend paid during the year	-	(392)	(392)
Securities premium on equity shares issued during the year	8,940	-	8,940
Other comprehensive income / (loss) (net of tax)	-	(21)	(21)
Balance as at 31 March 2024	10,314	18,782	29,096

Nature of reserves:

i) Securities premium

Securities premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

ii) Retained earnings

Retained earnings represents the accumulated profits / losses made by the Company over the years as reduced by dividends or other distributions paid to the shareholders, and includes remeasurement gains/ loss on defined benefit plan.

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

This is the Statement of Changes in Equity referred to in our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration Number: 001076N / N500013

Rakesh R. Agarwal

Partner

Membership No. : 109632

Place: Mumbai

Date: 07 August 2024



For and on behalf of the Board of Directors

Rakesh Markhedkar

Managing Director

DIN : 07009284

Place: Mumbai

Date: 07 August 2024

Ashish Bahety

Chief Financial Officer

Place: Thane

Date: 07 August 2024

Avinash Markhedkar

Director

DIN : 03089201

Place: Mumbai

Date: 07 August 2024

Kajal Rakholiya

Company Secretary

Place: Thane

Date: 07 August 2024



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024

Corporate Information

Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited) (the "Company" or "Vikran" or "VEEPL") is a Private Limited Company domiciled in India. The Company having CIN U9300MH2008PTC272209, is an Engineering, Procurement and Construction (EPC) Company offering a wide range of integrated end to end services including infrastructures project, power transmission and distribution, Extra High Voltage (EHV) substation and water infrastructure including design, supply, civil works, construction, testing and commissioning. The registered office of the Company is located at 401, Odyssey IT Park, Road No. 9, Industrial Wagle Estate, Thane, Maharashtra, India – 400 604.

With effect from 30 July 2024, the name of the Company has been changed from Vikran Engineering & Exim Private Limited to Vikran Engineering Private Limited.

The financial statements for the year ended 31 March 2024 were approved by the Board of Directors of the Company on 07 August 2024.

1) Basis of preparation

The financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015, other relevant provisions of the Act, the presentation and disclosures requirement of Division II of Schedule III to the Act (Ind AS compliant Schedule III).

The financial statements have been prepared using going concern assumption and on a historical cost basis, except for certain financial assets and liabilities, defined benefit obligations and employee share-based payments, which are measured at fair value.

The financial statements upto the year ended 31 March 2023 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) ('previous GAAP' or 'erstwhile GAAP') and relevant provisions of the Act.

These are the first Ind AS financial statements of the Company. The date of transition is 01 April 2022. Refer Note 49 for details of significant first-time adoption exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, it's performance and cash flows.

The financial statements are presented in Indian Rupee (INR), which is also the Company's functional currency. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirements of Schedule III, unless otherwise stated. Any amount appearing in financial statements as '0' represent amount less than INR 50,000.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract/ service including the defect liability/ warranty period and extends up to the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project/ contract/ service. Deferred tax assets and liabilities are classified as non-current only.

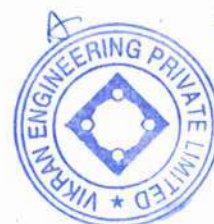
2) Material accounting policy information

a) Revenue Recognition

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable considerations, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for variable considerations are estimated based on accumulated experience and underlying agreements with customers.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- As the entity performs, the customer simultaneously receives and consumes the benefits provided by the entity's performance.
- The entity's performance creates or enhances an asset (e.g., work in progress) that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.



Performance obligations with reference to EPC contracts are satisfied over the period of time, and accordingly, revenue from such contracts is recognized based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs. Margin is not recognised until the outcome of the contract is certain. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Revenue, measured at transaction price, is adjusted towards liquidated damages, time value of money and price variations, escalation, change in scope etc. wherever, applicable. Variation in contract work and other claims are included to the extent that the amount can be measured reliably, and it is agreed with customer. Margin is not recognised until the outcome of the contract is certain.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost at completion is subject to many variables and requires significant judgement. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Contracts where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the input method, based on the nature of obligations to be performed. The Company determines the input method on the basis of ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue is recognised when the Company satisfies performance obligations by transferring the promised services or goods to its customers. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price.

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets (unbilled work in progress) and contract liabilities. Contractual retention amounts billed to customers are generally due upon expiration of the contract period.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets in the balance sheet. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A liability is recognised for advance payments, and it is not considered as a significant financing component since it is used to meet working capital requirements at the time of project mobilization stage. The same is presented as contract liability in the balance sheet.

Estimates of revenue and costs are reviewed periodically and revised, wherever circumstances change, resulting increases or decreases in revenue determination, is recognized in the statement of profit and loss in the period in which estimates are revised.

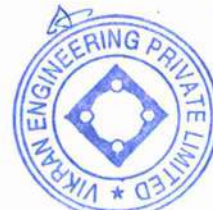
Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in statement of profit and loss immediately in the period in which such costs are incurred.

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Other non-operating income is recognised as and when due or received, whichever is earlier.

b) Taxes

Income tax expense comprises of current tax expense and deferred tax expenses. Current tax and deferred tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.



(i) Current income tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act of the respective jurisdiction. The current tax is calculated using tax rates that have been enacted or substantively enacted, at the reporting date.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax:

Deferred tax is recognized using the Balance Sheet approach on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be recovered or settled.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

The Company recognises deferred tax liability for all taxable temporary differences, except to the extent that both of the following conditions are satisfied:

- When the Company can control the timing of the reversal of the temporary difference; and
- It is probable that the temporary difference will not reverse in the foreseeable future.

c) Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Cost of property, plant and equipment comprises purchase price, non-refundable taxes, levies and any directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if, 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 cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Depreciation on property, plant and equipment is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 as per straight line method.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 01 April 2022, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.



d) Investment properties

Investment properties are held to earn rentals or for capital appreciation, or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. 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 Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as of 01 April 2022, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

e) Intangible assets

Intangible assets such as computer software acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

Intangible assets are amortised over their estimated useful life of 3 years on straight line method and is recognised in the statement of profit and loss under the head "Depreciation and Amortisation expense". The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 01 April 2022, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

f) Inventories

The stock of construction materials, stores, spares is valued at cost or net realisable value, whichever is lower. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis and includes all applicable cost of bringing the goods to their present location and condition. Revenue from sale of scrap material is presented as reduction from cost of materials consumed in the statement of profit and loss.

g) Cash and cash equivalents

Cash and cash equivalents comprises cash in hand and demand deposits with banks, short-term balances (with an original maturity of three months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Margin money deposits, earmarked balances with banks and other bank balances which have restrictions are presented as other bank balances.

h) Borrowing costs

Borrowing costs consists of interest, ancillary costs and other costs in connection with the borrowing of funds.

Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of such assets, up to the date such assets are ready for their intended use. All other borrowing costs are charged to the statement of profit and loss.

i) Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognised in the Statement of Profit and Loss.



j) Leases

Company as a lessee

At the commencement date of a lease, the Company recognises a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Right-of-use assets are measured at cost, less any accumulated depreciation, impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term. The Company separately recognises the interest expense on the lease liability as finance cost and the depreciation expense on the right-of-use asset.

The Company accounts for a lease modification as a separate lease when both of the following conditions are met:

- The modification increases the scope of the lease by adding the right to use one or more underlying assets.
- The consideration for the lease increases commensurate with the price for the increase in scope and any adjustments to that stand-alone price reflect the circumstances of the particular contract.

For a lease modification that fully or partially decreases the scope of the lease the Company decreases the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognized in profit or loss at the effective date of the modification.

The Company has elected to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. The Company recognises the lease payments associated with such leases as an expense in the statement of profit and loss.

k) Financial Instruments

Initial recognition and measurement

Financial instruments (assets and liabilities) are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in statement of profit and loss. A trade receivable without a significant financing component is initially measured at the transaction price. The amount of retention money held by the customers is disclosed as part of trade receivables.

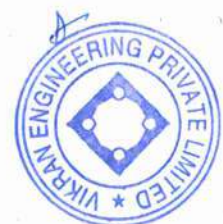
i. Financial assets

All regular way purchase or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets:

- a) Financial assets measured at amortised cost
- b) Financial assets measured at fair value through profit or loss (FVTPL)



Financial assets measured at amortised cost

A financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables, loans, etc.

Financial assets measured at FVTPL

Debt instrument

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

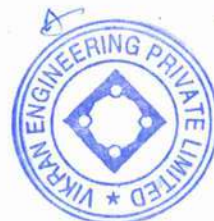
In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Debt instruments measured at amortised cost e.g., bank deposits
- Trade receivables
- Other financial assets not designated as FVTPL

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables (including lease receivables). The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.



ii. Financial liabilities

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the EIR method or at FVTPL.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at FVTPL

Financial liabilities are classified as FVTPL when the financial liabilities are held for trading or are designated as FVTPL on initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

iii. Trade receivables

A receivable represents the Company's right to an amount of consideration under the contract with a customer that is unconditional and realizable on the due date (i.e., only the passage of time is required before payment of the consideration is due). Trade receivable without a significant financing component is initially measured at the transaction price.

iv. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade payables are presented based on the operating cycle of the Company. They are recognised initially at their transaction price and subsequently measured at amortised cost using the effective interest method.

v. Offsetting financial instruments

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

l) Provisions (other than employee benefits)

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

m) Provision for warranty

The estimated liability for warranty is recorded at the commencement of defect liability period. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence during the period under warranty phase.



n) Contingencies

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

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continuously and if it is virtually certain that an inflow of economic benefits will arise, the assets and the related income are recognised in the period in which the change occurs. Contingent assets are disclosed where an inflow of economic benefits is probable.

o) Employee Benefits

Liability on account of short term employee benefits is recognised on an undiscounted and accrual basis during the period when the employee renders service/ vesting period of the benefit.

Defined Contribution Plan:

The Company pays contribution to the provident fund and employee state insurance corporation which is administered by respective Government authorities. The Company has no further payment obligations once the contributions have been paid. The Contributions are recognized as employee benefit expense in the statement of profit and loss to the year it pertains.

Defined benefit plan:

Gratuity: The Company's liability towards gratuity is determined using the projected unit credit method which considers each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The cost for past services is recognized on a straight line basis over the average period until the amended benefits become vested.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and the terms of Government bonds are consistent with the currency and estimated term of defined benefit obligation.

p) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effect of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares which are to be issued in the conversion of all dilutive potential equity shares into equity shares.

q) Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Group as one segment of EPC. Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the statement of profit and loss.



2.1 Key accounting estimates and judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Examples of such estimates include estimation of useful lives of property plant and equipment, employee costs, assessments of recoverable amounts of deferred tax assets, trade receivables and cash generating units, provisions against litigations and contingencies. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

(i) Deferred income taxes

The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the Company's latest forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the different jurisdictions in which the Company operates are also carefully taken into consideration. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full.

(ii) Revenue recognition

Determination of revenue under percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenue from the project or activity and foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the year in which such changes are determined.

(iii) Current income taxes

The tax jurisdiction for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

(iv) Accounting for defined benefit plans

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

(v) Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

(vi) Foreseeable losses

In case of contracts, when it is probable that total contract costs will exceed total contract revenue, the expected loss (foreseeable loss) is recognised. Such loss is measured based on management experience of handling similar contract in past and estimates regarding possible future incidence during the contract period.



(vii) Expected credit loss

Refer note for Impairment of financial assets mentioned in accounting policy on financial instruments above.

(viii) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(ix) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

(x) Joint arrangements

Based on the requirement of tender issuing authority/ prospective customer, the Company has formed joint arrangement which are not body corporate. The Company applies judgment considering the underlying terms agreed with the venturer, substance of transactions and responsibility assumed by the Company including managing operations of such venture. Basis such assessment, if the Company determines that (a) joint control does not exist and (b) in substance it assumes practically all the risk and rewards related to such arrangements, it considers such arrangement as its own extension. Accordingly, as at reporting periods, the Company has included the results and transactions of such arrangements in its separate financial statements and has not considered such arrangements as separate component for reporting purpose.

(xi) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease required significant judgement. The Company uses judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company revises the lease term if there is a change in non-cancellable period of a lease.

3) Standards issued but not yet effective

As on the date of release of these financial statements, Ministry of Corporate Affairs has not issued any new accounting standards/ amendments to existing accounting standards which are effective from 01 April 2024.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Note 4A: Property, plant and equipment

Particulars	Land	Office Premise	Temporary Sheds	Plant and Machinery	Electrical Equipment	Computers	Tools and Tackles	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross carrying amount											
As at 01 April 2022	73	279	71	117	78	167	353	120	139	29	1,426
Additions	-	-	3	3	-	29	48	9	6	7	105
Disposals / deletions	-	-	-	-	-	-	-	-	(11)	-	(11)
As at 31 March 2023	73	279	74	120	78	196	401	129	134	36	1,520
Additions	-	-	-	23	19	56	60	21	1	14	194
Disposals	-	-	-	-	-	-	-	-	(1)	-	(1)
As at 31 March 2024	73	279	74	143	97	252	461	150	134	50	1,713
Accumulated depreciation											
As at 01 April 2022	-	28	9	14	38	104	80	51	62	13	398
Depreciation charge for the year	-	4	22	8	7	33	112	11	15	5	217
Reversal on disposals / deletions	-	-	-	-	-	-	-	-	(9)	-	(9)
As at 31 March 2023	-	32	31	21	45	137	192	62	68	18	606
Depreciation charge for the year	-	4	23	8	8	41	124	13	15	7	243
Reversal on disposals	-	-	-	-	-	-	-	-	(0)	-	(0)
As at 31 March 2024	-	37	55	30	53	177	316	74	83	25	849
Net carrying amount											
As at 01 April 2022	73	251	62	103	40	63	273	69	77	16	1,028
As at 31 March 2023	73	247	43	99	33	59	209	67	66	18	914
As at 31 March 2024	73	242	20	113	44	74	145	76	52	25	864

Notes:

- The title deeds of all the immovable properties included in property, plant and equipment, are held in the name of the Company as at the balance sheet dates.
- Refer note 19 for the assets forming part of property, plant and equipment which are offered as security/charge for the borrowings availed by the Company.
- The Company has opted for deemed cost exemption for property, plant and equipment and therefore, the carrying amount under previous GAAP is deemed to be the cost at the date of transition. The carrying amounts as at 31 March 2024, 31 March 2023 and 01 April 2022 would continue to remain at the amounts as they would have remained under the previous GAAP.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
 (All amounts in INR lakhs, unless otherwise stated)

Note 4B: Investment properties

Particulars	Amount
Gross carrying amount	
Balance as at 01 April 2022	207
Additions	-
Balance as at 31 March 2023	207
Additions	-
Balance as at 31 March 2024	207
Accumulated depreciation	
Balance as at 01 April 2022	-
Depreciation charge for the year	-
Balance as at 31 March 2023	-
Depreciation charge for the year	-
Balance as at 31 March 2024	-
Net carrying amount:	
As at 01 April 2022	207
As at 31 March 2023	207
As at 31 March 2024	207

Notes:

- i) Investment properties of the Company comprise of land in respect of which the work towards its development has not been started as at the reporting dates.
- ii) On transition to Ind AS, the Company has elected to continue with the carrying value of all investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.
- iii) The title deeds of all the investment properties are held in the name of the Company as at the balance sheet dates.
- iv) The Company has not earned any income from its investment properties during the reporting periods.
- v) As at 31 March 2024, 31 March 2023 and 01 April 2022, the fair values of the properties are INR 2,696 lakhs, INR 2,373 lakhs and INR 2,018 lakhs, respectively. These valuations are based on valuations performed by an independent registered valuer.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
 (All amounts in INR lakhs, unless otherwise stated)

Note 5: Intangible assets

Particulars	Computer software	Total
Gross carrying amount		
As at 01 April 2022	252	252
Additions	1	1
As at 31 March 2023	253	253
Additions	4	4
As at 31 March 2024	257	257
Accumulated amortisation		
As at 01 April 2022	83	83
Amortisation charge for the year	75	75
As at 31 March 2023	158	158
Amortisation charge for the year	76	76
As at 31 March 2024	234	234
Net carrying amount		
As at 01 April 2022	169	169
As at 31 March 2023	95	95
As at 31 March 2024	23	23

Note: The Company has opted for deemed cost exemption for intangible assets and therefore, the carrying amount under previous GAAP is deemed to be the cost at the date of transition. The carrying amounts as at 31 March 2024, 31 March 2023 and 01 April 2022 would continue to remain at the amounts as they would have remained under the previous GAAP.



Note 6: Right-of-use (ROU) assets

Particulars	Leased premises	Total
Gross carrying amount		
As at 1 April 2022 (Refer note (ii) below)	98	98
Additions	197	197
As at 31 March 2023	295	295
Additions	-	-
As at 31 March 2024	295	295
Accumulated depreciation		
As at 1 April 2022	37	37
Depreciation charge for the year	77	77
As at 31 March 2023	114	114
Depreciation charge for the year	86	86
As at 31 March 2024	200	200
Net carrying amount		
As at 01 April 2022	61	61
As at 31 March 2023	181	181
As at 31 March 2024	95	95

Notes:

- (i) Refer note 38 for disclosure on leased assets.
(ii) Represent impact on transition to Ind AS. Refer note 49 for details of impact on account of transition to Ind AS.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Note 7: Investments

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Current			
- Units of mutual funds*	90	81	39
Total	90	81	39
Aggregate amount of quoted investments and market value thereof	-	-	-
Aggregate amount of unquoted investments	90	81	39
Aggregate amount of impairment allowance in the value of investments	-	-	-
Investments carried at amortised cost	-	-	-
Investments carried at fair value through other comprehensive income (FVTOCI)	-	-	-
Investments carried at fair value through profit and loss	90	81	39

* Includes INR 33 lakhs (31 March 2023: INR 27 lakhs and 01 April 2022: INR 27 lakhs) given as collaterals against borrowings taken by the Company.

Note: Information required under section 186(4) to the Act

- (a) The Company has not made any investment except as disclosed above.
(b) There are no loans given during the reporting periods.

Note 8: Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Non-current (Unsecured, considered good)			
Indirect taxes refund receivable	800	800	-
Bank deposits having remaining maturity of more than 12 months*	2,567	4,319	1,894
	3,367	5,119	1,894
Current (Unsecured, considered good)			
Security deposits**	70	59	92
Interest accrued but not due	87	50	249
Earnest money deposits (EMD)**	172	19	22
Other receivables^	69	51	107
	398	179	470

* held as margin money against borrowings, guarantees and other commitments including collateral securities (with various government authorities and banks).

** Security deposits and EMD's are interest free non-derivative financial assets carried at amortised cost. These primarily includes deposits given against rented premises and for tender bidding.

^ Primarily includes reimbursements receivable towards amount paid for crop compensation.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Note 9: Deferred tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Deferred tax liabilities arising on account of :			
Temporary differences between book and tax balance of property, plant and equipment	-	9	31
Temporary differences between right of use assets and lease liability	5	3	-
	5	12	31
Deferred tax assets arising on account of			
Expense allowable on payment basis	586	454	179
Expected credit loss	275	144	212
Temporary differences between book and tax balance of property, plant and equipment	20	-	-
Temporary differences between right of use assets and lease liability	-	-	1
	881	598	392
Net deferred tax assets	876	586	361

The Company offsets tax assets and liabilities only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(a) Movement in deferred tax assets and deferred tax liabilities from 01 April 2023 to 31 March 2024

Particulars	Opening balance as at 01 April 2023	(Charged) / credited to P&L	(Charged) / credited to OCI	Closing balance as at 31 March 2024
Deferred tax liability arising on account of				
On timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	9	(9)	-	-
Temporary differences between right of use assets and lease liability	3	2	-	5
	12	(7)	-	5
Deferred tax asset arising on account of				
Expense allowable on payment basis	454	126	7	586
Expected credit loss	144	131	-	275
On timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	-	20	-	20
	598	277	7	881
Deferred tax assets (net)	586	284	7	876

(b) Movement in deferred tax assets and deferred tax liabilities from 01 April 2022 to 31 March 2023

Particulars	Opening balance as at 01 April 2022	(Charged) / credited to P&L	(Charged) / credited to OCI	Closing balance as at 31 March 2023
Deferred tax liabilities arising on account of				
On timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	31	(22)	-	9
Temporary differences between right of use assets and lease liability	(1)	4	-	3
	30	(18)	-	12
Deferred tax assets arising on account of				
Expense allowable on payment basis	179	278	(3)	454
Expected credit loss	212	(68)	-	144
	391	210	(3)	598
Deferred tax assets (net)	361	228	(3)	586



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Note 10: Non-current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Advance tax (net)	388	324	455
	388	324	455

Note: The above amounts are net off provisions of INR 3,091 lakhs (31 March 2023: INR 1,749 lakhs and 01 April 2022: INR 2,316 lakhs) respectively.

Note 11: Other assets

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Non - current:			
Prepaid expenses	506	578	384
	506	578	384
Current:			
Advances to employees (Unsecured, considered good)	241	114	53
Prepaid expenses	544	260	171
Advances to suppliers and sub-contractors (Unsecured, considered good)	1,713	550	234
Balances with government authorities (net)	1,381	597	60
	3,879	1,521	518

Note 12: Inventories (valued at lower of cost and net realisable value)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Construction materials	4,822	2,015	1,994
Stores and spare parts	164	85	34
Goods in transit	87	1,465	1,186
	5,073	3,565	3,214

Note: Inventories provided/written off during the year ended 31 March 2024: INR 55 lakhs (31 March 2023: INR 193 lakhs, 1 April 2022: INR 90 lakhs). These amounts are recognised as an expense in the statement of profit and loss.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Note 13: Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Unsecured:			
Considered good:			
- Receivable from related party (Refer note 41)	166	-	-
- Others (Refer note 13.1)	46,224	36,991	36,403
Credit impaired	1,090	572	842
	47,480	37,563	37,245
Less: Expected credit loss allowance (Refer note 13.2)	(1,090)	(572)	(842)
Total	46,390	36,991	36,403
<u>Sub-classification of trade receivables</u>			
Considered good - secured	-	-	-
Considered good - unsecured	46,390	36,991	36,403
Significant increase in credit risk	-	-	-
Credit impaired	1,090	572	842
Less: Expected credit loss allowance	(1,090)	(572)	(842)
	46,390	36,991	36,403

Notes:

- (a) Trade receivable includes an amount of INR 166 lakhs (31 March 2023 : Nil and 01 April 2022 : Nil) from a entity in which one of the directors is a partner.
(b) Trade receivables includes retention money amounting to INR 11,063 lakhs (31 March 2023 : INR 5,556 lakhs and 01 April 2022 : INR 9,803 lakhs).

Note 13.1: Trade receivables as at 31 March 2024 includes dues from a customer amounting to INR 2,929 lakhs (31 March 2023: INR 2,023 Lakhs). The said customer has invoked the performance guarantee and short closed the project in the month of April 2023. The Company has filed a claim for recovery of dues from the customer in the Commercial Court - Jaipur during the current year and the matter is currently pending for disposal. Management, based on the contractual tenability of their claim and legal opinion obtained, is confident of recovering such amount and hence the same is considered good of recovery as at the reporting date, and also no liability is likely to arise for the Company on the aforesaid matter. Accordingly, no adjustments have been made to the financial statements in this respect.

Note 13.2: Movement in expected credit loss allowance :

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Balance at the beginning of the year	572	842	-
Add: Allowance made during the year	518	-	842
Less: Reversal of allowance/ amounts written back	-	(270)	-
Balance at the end of the year	1,090	572	842



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Trade receivables ageing (excluding expected credit loss allowance)

As at 31 March 2024

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	38,754	3,158	633	647	116	153	43,461
(ii) Undisputed trade receivables - credit impaired	40	37	70	210	116	617	1,090
(iii) Disputed trade receivables - considered good	-	-	-	2,929	-	-	2,929
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	38,794	3,195	703	3,786	232	770	47,480

As at 31 March 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	33,306	2,896	243	-	-	-	36,445
(ii) Undisputed trade receivables - credit impaired	-	-	20	315	154	83	572
(iii) Disputed trade receivables - considered good	-	-	-	-	547	-	547
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	33,306	2,896	263	315	701	83	37,564

As at 01 April 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	23,167	10,524	499	985	9	82	35,266
(ii) Undisputed trade receivables - credit impaired	23	104	50	328	9	328	842
(iii) Disputed trade receivables - considered good	-	-	-	1,137	-	-	1,137
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	23,190	10,628	549	2,450	18	410	37,245

Note 14: Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Balances with banks in current accounts	1	10	10
Cash on hand	7	2	4
Total	8	12	14

Note: There are no repatriation restriction with regard to above cash and cash equivalents as at the end of respective reporting periods.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Note 15: Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
In deposits accounts	4,900	1,430	2,342
Total	4,900	1,430	2,342

Note: The above fixed deposits are held as margin money or security against borrowings, guarantees and other commitments.

Note 16: Contract assets (unbilled work in progress)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Contract assets (unbilled work in progress)	28,916	19,464	429
	28,916	19,464	429

Note: Refer note 50 for additional details in relation to contract assets.



Note 17: Equity share capital

Authorised share capital:

Equity shares of INR 10 each	Number	Amount
Balance as at 01 April 2022	5,00,000	50
Change during the year	-	-
Balance as at 31 March 2023	5,00,000	50
Change during the year	-	-
Balance as at 31 March 2024	5,00,000	50

Issued, subscribed and fully paid-up:

Equity shares of INR 10 each	Number	Amount
Balance as at 01 April 2022	2,90,378	29
Issued during the year	0	-
Balance as at 31 March 2023	2,90,378	29
Issued during the year*	41,651	4
Balance as at 31 March 2024	3,32,029	33

* Details of shares issued during the year

S. No.	Date of issue	Number	Face value (in INR)	Securities premium (in INR)	Total amount (excluding securities premium)	Total amount (including securities premium)
i.	25 January 2024	20,696*	10.00	21,465.11	2	4,444
ii.	16 January 2024	20,955	10.00	21,465.11	2	4,500

* Includes 3,700 equity shares issued to Vikran Global Infraproject Private Limited upon conversion of borrowings into equity shares during the year ended 31 March 2024.

a) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to dividend to be proposed by the Board of Directors and to be approved by the shareholders in the General Meeting, except interim dividend, if any. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of fully paid-up equity shares held by the shareholders.

b) Details of equity shares held by each shareholder holding more than 5% shares in the Company

Name of shareholder	As at 31 March 2024		As at 31 March 2023		As at 01 April 2022	
	Number	% of holding	Number	% of holding	Number	% of holding
Equity shares of INR 10 each						
Deb Suppliers & Traders Private Limited	1,44,948	43.66%	1,44,948	49.92%	1,44,948	49.92%
Farista Financial Consultants Private Limited	1,44,430	43.50%	1,44,430	49.74%	1,44,430	49.74%
India Infection Opportunity Trust – India Infection Opportunity Fund	20,955	6.31%	-	-	-	-

The above information is furnished as per the shareholders register as at 31 March 2024, 31 March 2023 and 01 April 2022 respectively.

c) Details of equity shares held by promoters

Particulars	As at 31 March 2024		As at 31 March 2023		As at 01 April 2022	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Deb Suppliers & Traders Private Limited	1,44,948	43.66%	1,44,948	49.92%	1,44,948	49.92%
Farista Financial Consultants Private Limited	1,44,430	43.50%	1,44,430	49.74%	1,44,430	49.74%
Rakesh Markhedkar	1,000	0.30%	1,000	0.34%	1,000	0.34%

d) % change in promoters shareholding

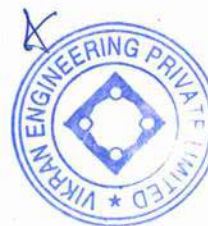
Particulars	% change during the year ended 31 March 2024 ^	% change during the year ended March 31, 2023
Deb Suppliers & Traders Private Limited	-6.26%	-
Farista Financial Consultants Private Limited	-6.24%	-
Rakesh Markhedkar	-0.04%	-

^ There is reduction in the percentage holding of promoters during the current year as additional equity shares have been issued during the current year, however there is no change in the number of equity shares held by promoters.

e) Bonus shares / buy back / shares for consideration other than cash issued during past five years:

- Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash - 3,700 shares allotted to Vikran Global Infraproject Private Limited upon conversion of loan into equity shares during the year ended 31 March 2024.
- Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
- Aggregate number and class of shares bought back - Nil

f) The Company has made private placement of equity shares during the year ended 31 March 2024. The Company has complied with the applicable requirements of section 42 and section 62 of the Act and the rules framed thereunder with respect to the same. Further, the amounts so raised have been utilised by the Company for the purposes for which these funds were raised.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

Note 18: Other equity

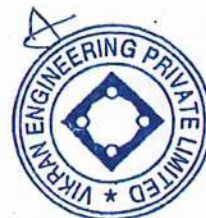
Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Securities premium	10,314	1,374	1,374
Retained earnings	18,782	11,710	7,518
Total	29,096	13,084	8,892

(i) Securities premium

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Balance at the beginning of the year	1,374	1,374	1,374
On issue of equity shares	8,940	-	-
Balance at the end of the year	10,314	1,374	1,374

(ii) Retained earnings

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Balance at the beginning of the year	11,710	7,518	6,938
Profit for the year	7,485	4,284	658
Dividend paid during the year (Refer note 44)	(392)	(102)	(80)
Items of other comprehensive income recognised in retained earnings (net of tax)	(21)	10	2
Balance at the end of the year	18,782	11,710	7,518



Note 19: Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Non-current - at amortised cost			
<u>Secured</u>			
Term loans			
- from banks	1,529	1,861	2,071
Less: Current maturities of long-term borrowings	(552)	(367)	(233)
	977	1,494	1,838
Vehicle loans			
- from banks	5	8	10
- from financial institution	-	4	16
Less: Current maturities of long-term borrowings	(3)	(7)	(14)
	2	5	12
<u>Unsecured</u>			
Working capital loans			
- from banks	171	181	134
- from financial institution	282	342	255
Less: Current maturities of long-term borrowings	(362)	(344)	(255)
	91	179	134
Loan from related party [Refer note 6(i) below]	-	1,972	1,701
	1,070	3,650	3,685
Current - at amortised cost			
<u>Secured</u>			
Current maturities of long-term borrowings	555	374	247
Cash credit facilities	11,697	8,377	6,451
Supplier bills discounted			
- from financial institution	3,737	2,518	977
	15,989	11,269	7,675
<u>Unsecured</u>			
Current maturities of long-term borrowings	362	344	255
Working capital loans:			
- from banks	39	70	-
- from financial institution	818	145	256
Supplier bills discounted			
- from financial institution	61	-	-
Loan from related party [Refer note 6(ii) below]	-	13	-
	1,280	572	511
	17,269	11,841	8,186

a) Nature, security and terms of repayment of borrowings :

1) Term loan from banks :

(i) Term loan from banks includes working capital term loans/general business requirement loans carrying variable interest rate ranging from 7.55% p.a. to 9.53% p.a. linked to MCLR with agreed interest rate reset clause and is repayable in 60 to 72 equal monthly instalments along with interest, upto FY 2027-28. These are primarily secured by way of first pari-passu charge on the entire current assets of the Company including inventories, receivables and all other current assets both present as well as future. The loan are also secured by certain office premises, land, fixed deposits and mutual funds investments of the Company.

The loan is also secured by way of personal guarantee by Mr. Rakesh Markhedkar (Chairman and Managing director), Mr. Avinash Markhedkar (Director), Mrs. Kanchan Markhedkar (relative of a Director), Mr. Nakul Markhedkar (Relative of a Director) and Mr. Vipul Markhedkar (Relative of a Director). The facility is also secured by way of corporate guarantee given by Farista Financials Consultants Private Limited (Promoter) and Deb Suppliers and Traders Private Limited (Promoter). The above mentioned personnel have also given certain personal immovable properties as security.

2) Vehicle loan from banks and financial institution:

(i) Vehicle loan from banks carries variable interest rate of 8.05% p.a. linked to Repo Linked Loan Rate (RLLR) with agreed interest rate reset clause and is repayable in 60 monthly instalments along with interest upto FY 2025-26. The vehicles financed through such borrowing are forming part of the property, plant and equipment and have been hypothecated for the said borrowings.

(ii) Vehicle loan from financial institution carries variable interest rate of 10.59% p.a. linked to Repo Linked Loan Rate (RLLR) with agreed interest rate reset clause and was repayable in 36 monthly instalments along with interest upto FY 2023-24. The said loan in repaid fully in the current year. The vehicles financed through such borrowing are forming part of the property, plant and equipment and have been hypothecated for the said borrowings.

3) Cash credit facilities

Cash credit facilities are repayable on demand carrying variable interest rate ranging from 9.25 % p.a. to 11.87 % p.a. linked to MCLR. These are primarily secured by way of hypothecation on the entire current assets of the Company, both present as well as future.

The facility is also secured by way of personal guarantee by Mr. Rakesh Markhedkar (Chairman and Managing director), Mr. Avinash Markhedkar (Director), Mrs. Kanchan Markhedkar (relative of a Director), Mr. Nakul Markhedkar (Relative of a Director) and Mr. Vipul Markhedkar (Relative of a Director). The facility is also secured by way of corporate guarantee given by Farista Financials Consultants Private Limited (Promoter) and Deb Suppliers and Traders Private Limited (Promoter). The above mentioned personnel have also given certain personal immovable properties as security.

4) Working capital loan from banks (unsecured) (current and non-current) :

Working capital loans from banks carries fixed interest rate ranging from 14.00% p.a. to 17.50% p.a. and is repayable in 12 to 36 monthly instalments along with interest.

5) Working capital loan from financial institutions (unsecured) (current and non-current):

Working capital loans from financial institutions carries fixed interest rate ranging from 9.23% p.a. to 21.00% p.a. and is repayable in 10 to 36 monthly instalments along with interest.

6) Loan from related parties:

i) Loan taken from Vikran Global Infraprojects Private Limited amounting to Nil as on 31 March 2024 (31 March 2023: INR 1,972 lakhs and 01 April 2022: INR 1,701 lakhs) which carried interest rate of 10.00% p.a. In the current year, pursuant to settlement agreement, the same has been partly converted into 3,700 equity shares at INR 21,475.11 each (including securities premium of INR 21,465.11 each) and remaining amount has been repaid.

ii) Loan taken from Rakesh Markhedkar HUF amounting to Nil as on 31 March 2024 (31 March 2023: INR 13 lakhs and 01 April 2022: Nil) carried interest rate of 18% p.a. and repayable on demand. The same has been repaid in the current year.

7) Supplier bills discounted (secured and unsecured):

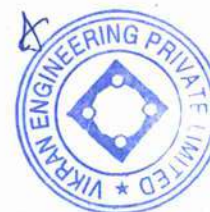
The Company participates in supply chain financing arrangement (SCF) which is presented under borrowings under which suppliers may elect to receive early payment of their invoice from by factoring their receivable from the Company.

Secured:

Such arrangement carries interest rate ranging from 11.50% p.a. to 13.75% p.a. and are repayable within a period of 3 to 6 months. The same are secured by way of bank guarantees provided and certain fixed deposits of the Company.

Unsecured

Unsecured SCF carries interest rate of 11.25% p.a. and is repayable within a period of 3 months.



b) (i) The quarterly returns/statements of current assets filed by the Company with bank is in agreement with the books of accounts for the quarters of the year ended 31 March 2024 except for following instances:

Name of the bank	Working capital limits sanctioned	Nature of current assets held as security	Quarter ended	Particulars of securities provided	Amount disclosed as per return	Amount as per books of account	Difference*
Consortium of banks	13,000	All the current assets of the Company	June 2023	Inventories	4,730	4,407	323
				Trade receivables	46,296	44,890	1,406
	13,000		September 2023	Inventories	5,410	4,962	448
				Trade receivables	40,691	40,424	267
	13,000		December 2023	Inventories	5,666	5,135	531
				Trade receivables	38,239	37,904	335
	13,000		March 2024	Inventories	5,112	5,073	40
				Trade receivables	64,904	61,637	3,267

* The differences are due to submissions being made basis provisional financial information by the Company.

b) (ii) The quarterly returns/statements of current assets filed by the Company with bank is in agreement with the books of accounts for the quarters of the year ended 31 March 2023 except for following instances:

Name of the bank	Working capital limits sanctioned	Nature of current assets held as security	Quarter ended	Particulars of securities provided	Amount disclosed as per return	Amount as per books of account	Difference**
Consortium of banks	8,900	All the current assets of the Company	June 2022	Inventories	2,989	2,886	102
	Trade receivables			9,406	9,574	(168)	
	8,900		September 2022	Inventories	3,382	3,292	90
	Trade receivables			8,170	9,152	(982)	
	8,900		December 2022	Inventories	3,028	2,945	82
	Trade receivables			6,513	6,164	349	
	8,900		March 2023	Inventories	2,814	2,772	43
	Trade receivables			25,137	26,193	(1,056)	

** The discrepancies are on account of statement filed with the lenders on financial statement prepared on provisional basis. Statutory deductions recorded as and when it appears on tax department portal. The statement submitted to lenders is calculated as per the given norms.

c) The Company has utilised the borrowings for the specific purpose for which it was obtained.

d) The Company has not been declared wilful defaulter by any bank or financial institution or lender during the reporting periods and there are no financial covenants requiring compulsory compliance, prescribed in the terms & conditions of borrowings.

e) Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

Particulars	As at 01 April 2023	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2024
				Interest accrued	Other changes	
Equity share capital (Refer note (i) below)	29	4	-	-	0	33
Securities premium (Refer note (i) below)	1,374	8,146	-	-	794	10,314
Long-term borrowings (including current maturities)	4,409	348	(1,935)	-	(794)	1,987
Lease liabilities (Refer note (ii) below)	170	-	(104)	9	(1)	74
Short-term borrowings (Refer note (ii) below)	11,082	5,794	(625)	-	60	16,352

Particulars	As at 01 April 2022	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2023
				Interest accrued	Other changes	
Equity share capital	29	-	-	-	-	29
Securities premium	1,374	-	-	-	-	1,374
Long-term borrowings (including current maturities)	4,188	740	(701)	182	-	4,409
Lease liabilities (Refer note (ii) below)	64	-	(80)	8	178	170
Short-term borrowings (Refer note (ii) below)	7,663	3,782	(404)	-	22	11,082

Notes :

(i) Other changes in equity share capital and securities premium is on account of equity shares issued during the year for consideration other than cash.

(ii) Other changes in borrowings is account of amortisation of ancillary borrowing cost and conversion of borrowings into equity during the year ended 31 March 2024 and on account of of amortisation of ancillary borrowing cost during the year ended 31 March 2023.

(iii) Other changes in lease liabilities is on account of lease liabilities recognised in accordance with Ind AS 116 in the respective years including other adjustments thereon in lease liabilities.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

f) The Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon, except for the below:

(i) For the year ended 31 March 2023:

Nature of borrowing	Name of lender	Principal and/or interest not paid on due date	Range of number of days of delay
Working Capital Loan	Kotak Mahindra Bank	15	Less than 30 days
	IDFC First Bank Limited	22	Less than 30 days
	Axis Bank Limited	27	Less than 30 days
	Axis Bank Limited	7	30 to 45 days
	Unity Small Finance Bank Limited	19	Less than 30 days
	HDFC Bank Limited	2	Less than 30 days
	Fedbank Financial Services Limited	25	Less than 30 days
	Clix Capital Services	4	Less than 30 days
	Tata Capital Financial Services	9	Less than 30 days
	Moneywise Financial services	22	Less than 30 days
	Accura Capital Private Limited	8	Less than 30 days
	Richbond Capital Private Limited	36	Less than 30 days
	Mangal Credit & Fincorp Limited	5	Less than 30 days
	Credit Trade Link	265	Less than 30 days
	Invoice Mart	243	Less than 30 days
Supplier bills discounted	M1 exchange	22	Less than 30 days
	RXIL	397	Less than 30 days

Note 20: Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Non-current			
Lease liabilities (Refer note 38)	38	75	27
	38	75	27
Current			
Lease liabilities (Refer note 38)	36	95	37
	36	95	37

Note 21: Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Dues to :			
- Micro enterprises and small enterprises (MSE)	4,826	8,964	4,049
- Trade payables other than MSE	24,866	20,358	17,568
Total	29,692	29,322	21,617

(a) Trade payables are generally non-interest bearing and are settled within normal operating cycle of the Company.
(b) Trade payables includes retention money amounting to INR 5,743 lakhs (31 March 2023 : INR 3,566 lakhs and 01 April 2022: INR 2,355 lakhs).

Note: Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount due to micro and small enterprises	4,576	8,680	3,949
- Interest due on above	250	284	100
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	176	204	5
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	250	284	100
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Trade payable ageing:

As at 31 March 2024

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSE	3,657	1,169	-	0	-	4,826
(ii) Undisputed dues - Others*	15,838	7,799	854	375	-	24,866
(iii) Disputed dues - MSE	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	19,495	8,968	854	375	-	29,692

* Includes unbilled trade payables within the category 'Not Due' amounting to INR 2,128 lakhs.

As at 31 March 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSE	7,960	1,003	0	-	1	8,964
(ii) Undisputed dues - Others*	18,049	1,515	678	86	29	20,357
(iii) Disputed dues - MSE	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	0	1	-	1
Total	26,009	2,518	678	87	30	29,322

* Includes unbilled trade payables within the category 'Not Due' amounting to INR 4,493 lakhs.

As at 01 April 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSE	3,992	57	-	-	-	4,049
(ii) Undisputed dues - Others*	15,896	854	361	445	12	17,567
(iii) Disputed dues - MSE	-	-	-	-	-	-
(iv) Disputed dues - Others	0	-	1	-	-	1
Total	19,888	911	362	445	12	21,617

* Includes unbilled trade payables within the category 'Not Due' amounting to INR 73 lakhs.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
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Note 22: Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Employee related payables	398	373	8
Payable for capital goods	11	17	6
	409	390	14

Note 23: Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Contract liability (Refer note 50)	14,759	8,731	2,794
Advance from customers - revenue received in advance (Refer note 50)	201	1,290	1,798
Statutory dues payable	246	324	162
Total	15,206	10,345	4,754

Note 24: Provisions

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Non-current			
Provision for warranty	59	46	38
Provision for gratuity (refer note 37)	222	166	153
	281	212	191
Current			
Provision for foreseeable losses	798	1,458	422
Provision for warranty	19	48	20
Provision for gratuity (refer note 37)	31	19	2
Provision for compensated absences (refer note 37)	211	117	112
	1,059	1,642	556

Note 24.1: Movement in provision for foreseeable losses

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Balance at the beginning of the year	1,458	422	116
Recognised during the year	116	1,306	306
Utilised/reversed during the year	(776)	(270)	-
Balance at the end of the year	798	1,458	422

In case of contracts, when it is probable that total contract costs will exceed total contract revenue, the expected loss (foreseeable loss) is recognised as an expense immediately in the statement of profit and loss.

Note 24.2 : Movement in provision for warranty (current and non current):

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Balance at the beginning of the year	94	58	51
Recognised during the year	47	140	65
Utilised/reversed during the year	(63)	(104)	(58)
Balance at the end of the year	78	94	58

The Company has made provision for expenses expected to be incurred during defect liability period which are in the nature of assurance warranty. The Company expects to incur the related expenditure over the defect liability period.

Note 25: Current tax liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Income tax liabilities (net of advance taxes paid - INR 1,283 lakhs as at 31 March 2024 and INR 780 lakhs as at 31 March 2023)	1,791	562	-
	1,791	562	-



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
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Note 26: Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of services:		
Income from engineering, procurement and construction (EPC) services	77,669	52,431
Other operating revenue:		
Liabilities (project related) no longer required to be paid, written back	266	-
Reversal of provision towards foreseeable losses on contracts (net)	660	-
	78,595	52,431

Note: Refer note 50 for additional details.

Note 27: Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on:		
- on bank deposits	329	203
- on income tax refund	-	7
Other non operating income:		
Provisions/liabilities no longer required written back	209	-
Gain on sale of property, plant and equipment (net)	-	2
Gain on mutual fund investments (on sale and fair value changes)	10	2
Allowance for expected credit loss written back	-	270
Miscellaneous income	1	3
	549	487

Note 28: Cost of materials consumed (including stores and spares)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cost of materials consumed (Refer note 12)	38,496	26,648
Total	38,496	26,648
Reconciliation of cost of materials consumed :		
Opening stock	2,101	2,028
Opening stock in transit	1,465	1,186
Add: Purchases during the year (net)	40,003	27,000
Less: closing stock	4,986	2,101
Less: closing stock in transit	87	1,465
	38,496	26,648

Note 29: Project related expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sub-contracting charges	12,780	7,832
Technical consultancy charges	2,813	777
Plant and machinery hire charges (Refer note 38)	328	216
Transportation charges	325	147
Loading and unloading charges	302	173
Survey costs	113	117
Warranty expenses	47	140
Other project expenses	69	217
	16,777	9,618

Note 30: Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and bonus (including directors' remuneration)	5,304	3,620
Contribution to provident and other funds (Refer note 37)	229	171
Staff welfare expenses	183	175
Gratuity expense (Refer note 37)	77	59
Compensated absences expense (Refer note 37)	103	28
	5,896	4,053



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
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Note 31: Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on:		
- borrowings carried at amortised cost	2,341	1,896
- delayed payment of statutory dues	16	68
- lease liabilities (Refer note 38)	9	8
- delayed payment to micro and small enterprises vendors	176	204
Other borrowing costs*	657	646
	3,199	2,822

*primarily includes loan processing charges, guarantee charges and other charges.

Note 32: Depreciation and amortisation expense

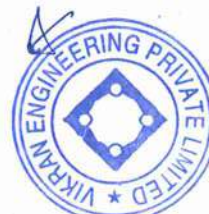
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment (Refer note 4A)	243	217
Depreciation on right of use assets (Refer note 6)	86	77
Amortisation on intangible assets (Refer note 5)	76	75
	405	369

Note 33: Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Electricity expenses	56	42
Rent expense (Refer note 38)	324	204
Repairs and maintenance - buildings	4	4
Repairs and maintenance - others	257	179
Security charges	335	222
Insurance	236	129
Rates and taxes	342	320
Vehicle hire charges (Refer note 38)	346	337
Auditor's remuneration (Refer note 39)	33	26
Travelling and conveyance	328	246
Consulting and professional fees	802	936
Site expenses	139	179
Donation	50	6
Printing and stationery	50	37
Bank charges	95	32
Business promotion expenses	52	61
Provision towards foreseeable losses on contracts (net)	-	1,036
Corporate social responsibility expenses (Refer note 42)	64	53
Allowance for expected credit loss	517	-
Miscellaneous expenses	66	91
	4,096	4,140

Note 34: Exceptional items - (loss)/ gain

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Indirect taxes provision written back	-	1,274
Provision written back to the extent no longer considered payable	-	406
Trade receivables written off	-	(1,550)
Net exceptional gain/ (loss)	-	130



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Note 35: Current tax and deferred tax

(a) Income tax expense through the statement of profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax:		
Current tax on profits for the year	3,074	1,342
Deferred tax credit:		
In respect of current year origination and reversal of temporary differences	(284)	(228)
Total	2,790	1,114

(b) Income tax on other comprehensive income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Deferred tax credit / (expense)	7	(3)
Total	7	(3)

(c) Movement of income tax assets / (liabilities) - net

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance (net)	(238)	455
Taxes paid during the year (net)	1,909	649
Income tax charge during the year	(3,074)	(1,342)
Closing balance	(1,403)	(238)

(d) Reconciliation of tax expense and the accounting profit multiplied by India's applicable tax rate:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Accounting profit before income tax	10,275	5,398
Applicable income tax rate (in %)	25.17%	25.17%
Computed expected tax expense	2,586	1,359
Tax effect of amount which are not (taxable)/ deductible in calculating taxable income	488	(16)
Deferred tax on origination/reversal of temporary differences	(284)	(228)
Tax expense reported in the statement of profit and loss	2,790	1,114

Note 36: Earnings per equity share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net profit attributable to equity shareholders for the year [a]	7,485	4,284
Weighted average number of equity shares for basic earnings per share [b]	2,98,518	2,90,378
Dilutive potential equity shares	-	-
Weighted average number of equity shares for diluted earnings per share [c]	2,98,518	2,90,378
Basic earnings per share (in INR) [a/b]	2,507.40	1,475.39
Diluted earnings per share (in INR) [a/c]	2,507.40	1,475.39
Face value per share (in INR)	10.00	10.00



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Note 37: Employee benefits

1. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, incentives and allowances, short terms compensated absences, etc., and the expected cost of bonus, ex-gratia are recognised in the year in which the employee renders the related service.

2. Long term employee benefits

(i) Defined benefit plan

(a) Gratuity (unfunded)

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The following tables summarises the components of net benefits expense recognised in the statement of profit and loss and other comprehensive income and the amount recognised in the balance sheet for the defined benefit plan.

	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Change in the present value of the defined benefit obligation:			
Opening defined benefit obligation	185	155	114
Interest cost	13	11	8
Current service cost	64	48	48
Benefits paid	(18)	(7)	(3)
Actuarial (gain)/ loss on obligation	9	(21)	(12)
Closing defined benefit obligation	253	185	155
Amount recognised in the balance sheet:			
Present value of defined benefit obligation at the end of the year	253	185	155
Net liability recognised in the balance sheet			
Current	31	19	2
Non-current	222	166	153
Total	253	185	155
Expense recognised in the statement of profit and loss			
Current service cost	64	48	
Interest cost	13	11	
Net expense recognised in the statement of profit and loss	77	59	
Expense recognised in the other comprehensive income:			
Actuarial (gain)/ loss on defined benefit obligations	9	(21)	
Net expense recognised in the total comprehensive income	9	(21)	
Breakup of actuarial loss/ (gain)			
Due to change in financial assumptions	7	(4)	
Due to experience	1	(17)	
Due to demographic assumption	1	-	
	9	(21)	
Actuarial assumptions used			
	Year ended 31 March 2024	Year ended 31 March 2023	As at 01 April 2022
Discount rate (% per annum)	7.11%	7.38%	7.19%
Salary growth rate (% per annum)	6.00%	6.00%	6.00%

Demographic assumptions used:

	Year ended 31 March 2024	Year ended 31 March 2023	As at 01 April 2022
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate table	Indian Assured Lives Mortality (2012-14) Ultimate table	Indian Assured Lives Mortality (2012-14) Ultimate table
Retirement age (in years)	58	58	58
Average future service (in years)	20	20	19
Attrition rate (% per annum)	2.00% to 10.00%	1.00%	1.00%

These assumptions were developed by the management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. The estimate of future salary increase considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.



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Sensitivity analysis

The reported figures are sensitive to the actuarial assumptions. The changes to the defined benefit obligations for increase / decrease of 1% from assumed discount rate, salary growth rate and attrition rate are given below. In presenting the sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at year-end. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

	Year ended 31 March 2024		Year ended 31 March 2023		As at 01 April 2022	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate						
Change in the defined benefit obligation	(22)	26	(21)	25	(18)	22
Salary growth rate						
Change in the defined benefit obligation	28	(24)	26	(22)	23	(19)
Attrition rate						
Change in the defined benefit obligation	1	(1)	2	(2)	1	(1)

The defined benefit obligations shall mature after year end as follows :

	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
1st following year	31	19	2
2nd following year	9	2	38
3rd following year	28	3	48
4th following year	31	18	35
5th following year	12	21	39
6 years and onwards upto 10 years	73	38	39
Other information			
Number of active members	674	508	397
Weighted average duration of the projected benefit obligation for gratuity (in years)	15	19	20
Adjusted average future service (in years)	14	20	19

(b) Compensated absences

Compensated absences is a non-funded defined benefit scheme. The obligation for leave entitlement is recognized in the same manner as gratuity. The expense towards compensated absence recognised in the statement of profit and loss for the year is INR 103 lakhs (31 March 2023 : INR 28 lakhs). Amount of actuarial loss recognised in other comprehensive income during the year is INR 19 lakhs (31 March 2023 : INR 8 lakhs). Amount recognised in balance sheet as at 31 March 2024: INR 211 lakhs (31 March 2023: INR 117 lakhs, 01 April 2022: INR 112 lakhs).

(ii) Defined contribution plan

The Company pays fixed contribution to the provident fund, employee's state insurance corporation entities and labour welfare fund in relation to several state plans and insurances for individual employees. This fund is administered by the respective Government authorities and the Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the year that related employee services are received.

The Company's contribution to defined contribution plan recognised as employee benefit expenses is as below:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employer's contribution towards Provident Fund (PF)	229	171
Employer's contribution towards Employee's State Insurance Corporation (ESIC)	0	0
Employers contribution towards Labour welfare fund (LWF)	0	0
	229	171



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Note 38: Leases

The Company's leased assets primarily consists of leases for office premises having different lease terms to conduct its business in the ordinary course.

The Company has discounted lease payments using the incremental borrowing rate for measuring lease liabilities and accordingly recognised ROU assets, after adjusting any prepaid lease rentals.

The lease arrangements with lease term of 12 months or less, and the leases of low-value assets have been excluded from measurement of lease liability and ROU assets. The lease payments related to these arrangements are charged to statement of profit and loss under the respective head.

The Company does not have any major lease restrictions and commitment towards variable rent as per the contract.

The following is the summary of practical expedients elected on initial application:

- (i) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than twelve months of lease term on the date of initial application.
- (ii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

Right-of-use assets:

(i) The net carrying value of right-of-use assets as at 31 March 2024 amounts to INR 95 lakhs (31 March 2023: INR 181 lakhs and 01 April 2022: INR 61 lakhs) and the movement thereof has been disclosed separately in note 6 to the financial statements.

Lease liabilities:

(i) The movement in lease liabilities is as follows :

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Opening balance	170	64	-
Add : Addition during the year	-	180	98
Add : Interest on lease liabilities	9	8	6
Less : Payment of lease liabilities	(104)	(80)	(41)
Add : Other adjustments	(1)	(2)	1
Closing balance	74	170	64
Non current	38	75	27
Current	36	95	37

(ii) The table below provides details regarding the contractual maturities of lease liabilities on undiscounted basis

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
0-1 year	50	104	41
1-5 years	29	80	27
5 years and above	-	-	-

2. The Company has recognised the following in the statement of profit and loss:

- (i) Depreciation expense from right-of-use assets of INR 86 lakhs (31 March 2023: INR 77 lakhs) (Refer note 32).
- (ii) Interest on lease liabilities of INR 9 lakhs (31 March 2023: INR 8 lakhs (Refer note 31).
- (iii) Expense amounting to INR 998 lakhs (31 March 2023: INR 757 lakhs) related to leases of low-value assets and leases with less than twelve months of lease term. These have been included under plant and machinery, vehicle hire charges and rent expenses (Refer notes 29 and 33).

Note 39 : Auditor's remuneration (excluding goods and service tax)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As auditor:		
Statutory audit	30	17
Tax audit	3	3
Certifications	-	6
	33	26

Note: Payment for the year ended 31 March 2023 represent fee paid to erstwhile auditor.



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Note 40: Contingent liabilities and commitments

	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
i) Contingent liabilities (to the extent not provided for)			
a) Income tax demand in respect of earlier years under dispute*	415	413	422
b) Goods and service tax demand in respect of earlier years under dispute*	6,036	5,364	-
c) Claims against the Company not acknowledged as debt	15	15	15

*Future cash outflows in respect of above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities. The management, based on their assessment, does not expect these claims to succeed and accordingly, no provision has been recognised in the financial statements. These amount represents gross demand raised by the authorities and the amount paid under protest is not charged to the statement of profit and loss by the Company.

d) During 2021-22, a case was filed by a Government investigation agency alleging involvement of the Company, its two employees and a public officer for alleged involvement with respect to a contract for securing undue favors. The Company is in the process of filing an application with the appropriate forum for dropping this matter against the company, due to its non-involvement and absence of any charges being framed against it till date.

ii) Outstanding bank guarantees

Bank guarantees given by the Company on behalf of related party
 (to the extent of amount outstanding)

	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
	-	1	83
	-	1	83

iii) Commitments

Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances)

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
	-	-	8
	-	-	8



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Note 41: Related party disclosure
(Disclosed to the extent transactions have taken place and where control exist).

A) Names of related parties

i) Key managerial personnel (KMP)/ Directors

Mr. Rakesh Markhedkar - Chairman and Managing Director (CMD) and Promoter
Mr. Avinash Markhedkar - Director
Mr. Nakul Markhedkar - Additional Director (w.e.f. 01 February 2024)
Mr. Ashish Bahaley - Chief Financial Officer (w.e.f. 21 August 2023)
Mrs. Kajal Rakholiya - Company Secretary (w.e.f. 06 May 2024)

ii) Relatives of Key managerial personnel (KMP)

Mrs. Kanchan Markhedkar - Wife of CMD
Mr. Vipul Markhedkar - Son of CMD

iii) Entities having significant influence over the Company (Refer note 55)

Deb Suppliers & Traders Private Limited (Promoter)
Farista Financial Consultants Private Limited (Promoter)

iv) Entities over which Directors/KMP have significant influence

SEU India Performance Excellence LLP
Vikran Engineering & Exim Private Limited - Employees Group Gratuity Fund
Swarnayug Developers LLP
Rakesh Markhedkar HUF
Vikran Global Infraprojects Private Limited

B) Transactions with related parties :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
1(A). Sub-contracting charges		
SEU India Performance Excellence LLP	203	6
1(B). Revenue from operations (including billing)		
Swarnayug Developers LLP ^	915	-
2. Dividend paid		
Deb Suppliers & Traders Private Limited	196	51
Farista Financial Consultants Private Limited	195	51
Mr. Rakesh Markhedkar	1	0
3. Rent paid *		
Mrs. Kanchan Markhedkar	6	6
4. Loan/Advance taken:		
Mr. Rakesh Markhedkar	297	133
Mrs. Kanchan Markhedkar	401	50
Mr. Nakul Markhedkar	94	22
Mr. Vipul Markhedkar	177	13
Rakesh Markhedkar HUF	105	180
Vikran Global Infraprojects Private Limited	-	205
5. Loan/Advance repaid:		
Mr. Rakesh Markhedkar	297	133
Mrs. Kanchan Markhedkar	401	50
Mr. Nakul Markhedkar	94	22
Mr. Vipul Markhedkar	177	13
Rakesh Markhedkar HUF	105	180
Vikran Global Infraprojects Private Limited #	2,119	130
6. Interest expense:		
Mr. Rakesh Markhedkar	14	10
Mrs. Kanchan Markhedkar	21	2
Mr. Nakul Markhedkar	8	0
Mr. Vipul Markhedkar	10	1
Rakesh Markhedkar HUF	15	13
Vikran Global Infraprojects Private Limited	148	182
7. Reimbursement of expenses incurred by		
Mr. Rakesh Markhedkar	8	1
Mrs. Kanchan Markhedkar	16	1
Mr. Nakul Markhedkar	4	1
Mr. Vipul Markhedkar	7	0
Mr. Avinash Markhedkar	1	-
8. Reimbursement of expenses incurred on behalf of		
Mr. Avinash Markhedkar	-	0
9. Remuneration to KMP and their relatives		
Mr. Rakesh Markhedkar	246	195
Mr. Avinash Markhedkar	67	64
Mrs. Kanchan Markhedkar	253	185
Mr. Nakul Markhedkar	199	159
Mr. Vipul Markhedkar	67	32
Mr. Ashish Bahaley	42	-
10. Salary advance given		
Mr. Vipul Markhedkar	-	3

* The figures are based on contractual arrangement executed and does not include the impact of Ind AS.

Amount for year ended 31 March 2024 includes INR 794 lakhs settled through issue of equity shares.

^ As per contractual arrangement, billing is done amounting to INR 915 lakhs during the year ended 31 March 2024 (31 March 2023 : Nil).



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
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C) Balances outstanding at the year-end

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Trade payables			
SEU India Performance Excellence LLP	10	2	1
Trade receivables			
Swarnayug Developers LLP	166	-	-
Other financial assets			
Vikran Engineering & Exim Private Limited Employees Group Gratuity	0	0	0
Borrowings			
Vikran Global Infraprojects Private Limited	-	1,972	1,701
Rakesh Markhedkar HUF	-	13	-
Salary payable			
Mr. Rakesh Markhedkar	7	38	-
Mr. Avinash Markhedkar	3	14	-
Mrs. Kanchan Markhedkar	6	41	-
Mr. Nakul Markhedkar	6	36	-
Mr. Vipul Markhedkar	6	-	-
Mr. Ashish Bahety	4	-	-
Advance recoverable			
Mr. Rakesh Markhedkar	-	-	4
Mr. Vipul Markhedkar	-	3	-
Outstanding gurantees given against credit facilities extended to:			
Vikran Global Infraprojects Private Limited	-	1	83

Notes:

(i) Transactions with related parties are in compliance with Section 188 of the Act, as applicable. The outstanding balances at year end are unsecured and due to be settled for consideration in cash / cash equivalent.

(ii) Following related parties have provided corporate guarantee/personal guarantee to the bankers towards cash credit facilities and working capital term loans availed by the Company as disclosed in note 19 to the financial statements.

- Deb Suppliers & Traders Private Limited
- Farista Financial Consultants Private Limited
- Rakesh Markhedkar
- Avinash Markhedkar
- Kanchan Markhedkar
- Nakul Markhedkar
- Vipul Markhedkar

(iii) The remuneration to the KMPs does not includes the provision made for gratuity and compensated absences, as they are determined on an actuarial basis for the Company as a whole.

(iv) Subsequent to 31 March 2024, the Company has appointed a Whole Time Company Secretary w.e.f. 06 May 2024.

(v) The Company executes certain projects through special purpose vehicles (SPV) which are not body corporates. These SPVs are treated as an extension of the Company itself as in substance the Company assumes all the risk and rewards related to such arrangements including managing operations of such projects. Hences such SPVs are not considered as related party for disclosure purpose in this note.



42 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013 (the "Act"), a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities. A CSR Committee has been formed by the Company as per the Act. Following are the details required as per the Act.

Details of CSR activities undertaken by the Company:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
a) Gross amount required to be spent during the year	64	53
b) Amount approved by the Board to be spent during the year	64	53
c) Amount spent during the year:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	64	53
Total amount unspent	-	-

Notes :

- Nature of CSR activities includes social welfare, economic activities for education of poor disable children and women, vocational training courses, child development programmes, etc.
- The Company does not have any ongoing projects as at the end of reporting periods.
- During the year, there is no related party transaction in relation to CSR expenditure.
- There is no unspent amount of CSR activities as at the end of reporting periods.

43 Segment information

The Company is principally engaged in a single business segment viz. Engineering, Procurement and Construction (EPC) services. The Company's Chief Operating Decision Maker (CODM) monitor and review the operating result of the Company prepared on the basis of financial information of EPC business, as a whole. Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

(a) Revenue from sale of services on a geographic basis:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
India	77,669	52,431
Outside India	-	-
Total	77,669	52,431

(b) Revenue from sale of services derived from major customers is as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from top customer	28,289	13,469
Revenue from top three customers	64,382	28,157

(c) For the year ended 31 March 2024, three (31 March 2023: three) customers, individually accounted for more than 10% of the revenue from operations.

(d) Non-current assets*

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
India	1,694	1,975	1,849
Outside India	-	-	-

* Excluding financial assets and tax assets.

44 Dividend

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Dividend on equity shares paid during the year:		
Final dividend for the previous year paid in current year	392	102
	392	102

The Board of Directors of the Company, at their meeting held on 07 August 2024, have recommended a dividend of INR 105 per share on face value of INR 10 each for the financial year ended 31 March 2024. The same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

The dividend paid by the Company and dividend declared/proposed by the Board of Directors, is in compliance with the Section 123 of Act.

45 Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.



46 Fair value measurements

(i) Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participant at the measurement date.

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 : Prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the use of discounted cash flow for fair value at amortised cost

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2024						
	Carrying value			Fair Value			
	Amortised cost	Financial assets / liabilities at fair value through profit or loss (FVTPL)	Total carrying value	Level 1	Level 2	Level 3	Total
Financial assets							
Investment in mutual funds	-	90	90	90	-	-	90
Trade receivables	46,390	-	46,390	-	-	-	-
Cash and cash equivalents	8	-	8	-	-	-	-
Other bank balances	4,900	-	4,900	-	-	-	-
Other financial assets	3,766	-	3,766	-	-	-	-
Financial liabilities							
Long term borrowings	1,070	-	1,070	-	-	-	-
Short term borrowings	17,269	-	17,269	-	-	-	-
Lease liabilities	74	-	74	-	-	-	-
Trade payables	29,692	-	29,692	-	-	-	-
Other financial liabilities	409	-	409	-	-	-	-

Particulars	As at 31 March 2023						
	Carrying value			Fair value			
	Amortised cost	Financial assets / liabilities at fair value through profit or loss (FVTPL)	Total carrying value	Level 1	Level 2	Level 3	Total
Financial assets							
Investment in mutual funds	-	81	81	81	-	-	81
Trade receivables	36,991	-	36,991	-	-	-	-
Cash and cash equivalents	12	-	12	-	-	-	-
Other bank balances	1,430	-	1,430	-	-	-	-
Other financial assets	5,298	-	5,298	-	-	-	-
Financial liabilities							
Long term borrowings	3,650	-	3,650	-	-	-	-
Short term borrowings	11,841	-	11,841	-	-	-	-
Lease liabilities	170	-	170	-	-	-	-
Trade payables	29,322	-	29,322	-	-	-	-
Other financial liabilities	390	-	390	-	-	-	-

Particulars	As at 01 April 2022						
	Carrying value			Fair value			
	Amortised cost	Financial assets / liabilities at fair value through profit or loss (FVTPL)	Total carrying value	Level 1	Level 2	Level 3	Total
Financial assets							
Investment in mutual funds	-	39	39	39	-	-	39
Trade receivables	36,403	-	36,403	-	-	-	-
Cash and cash equivalents	14	-	14	-	-	-	-
Other bank balances	2,342	-	2,342	-	-	-	-
Other financial assets	2,364	-	2,364	-	-	-	-
Financial liabilities							
Long term borrowings	3,685	-	3,685	-	-	-	-
Short term borrowings	8,186	-	8,186	-	-	-	-
Lease liabilities	64	-	64	-	-	-	-
Trade payables	21,617	-	21,617	-	-	-	-
Other financial liabilities	14	-	14	-	-	-	-

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivable, cash and cash equivalents, other bank balances, security deposits, trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.

Fair value of financial assets measured at FVTPL

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at the reporting dates. There are no transfers in either level during the reporting periods.

There are no financial assets/ liabilities which are measured at fair value through other comprehensive income.



47 Financial risk management

The Company activities expose it to interest rate risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, the Company's risk management is carried out by a corporate treasury and corporate finance department under policies approved by the board of directors and top management. The Company's treasury identifies, evaluates and mitigates financial risks in close cooperation with the Company's operating units. The board provides guidance for overall the risk management, as well as policies covering specific areas.

This note explains the sources of risk which the entity is primarily exposed to and how the entity manages the risk and the related impact in the financial statements.

A Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service dues according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and credit worthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables and cash and bank equivalents.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits. Mutual fund investments are made in plans of renowned asset management company only. The credit risk associated with bank, security deposits and mutual fund investments is relatively low.

Other financial assets includes deposits receivable, interest accrued on deposits and other receivables. These receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Trade receivables are typically unsecured. Credit risk on trade receivables is limited as the Company's customer base substantially includes government promoted undertakings and public sector undertakings. Also, generally the company does not enter into sales transaction with customers having credit loss history. In addition, trade receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice. The Company does not require collateral in respect of its trade receivables. An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. The provision rates are based on days past due. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions, if any. In case of disputed trade receivables, the Company performs individual credit risk assessment and creates expected credit loss allowance (ECL) based on internal assessment for such cases.

The following table provides information about the ECL rate for trade receivables :

Ageing bracket of trade receivables past due date	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Upto 90 days	0.10% to 1.00%	0.10% to 1.00%	0.10% to 1.00%
91 to 180 days	2.50% to 4.50%	2.00% to 4.00%	2.00% to 4.00%
181 to 365 days	8.00% to 12.00%	8.00% to 11.00%	8.00% to 11.00%
More than 365 days	25.00% to 80.00%	25.00% to 80.00%	25.00% to 80.00%

a) For reconciliation of loss allowance on trade receivables, refer note 13.1.

B Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

The Company's principal sources of liquidity are cash and cash equivalents, and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding.

The Company also participates in supply chain financing arrangement (SCF) which under which suppliers may elect to receive early payment of their invoice from by factoring their receivables.

(i) Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date based on the contractual undiscounted payments. Refer note 38 for contractual maturities of lease liabilities.

As at 31 March 2024	Carrying amount	Contractual maturities				
Particulars	Amount	Repayable on demand	Upto 1 year	Between 1 - 3 years	Beyond 3 years	Total
Financial liabilities						
Borrowings	18,339	11,697	5,592	830	220	18,339
Trade payables*	29,692	-	27,124	2,568	-	29,692
Other financial liabilities	409	-	409	-	-	409
Total	48,441	11,697	33,125	3,398	220	48,440

As at 31 March 2023	Carrying amount	Contractual maturities				
Particulars	Amount	Repayable on demand	Upto 1 year	Between 1 - 3 years	Beyond 3 years	Total
Financial liabilities						
Borrowings	15,491	8,390	3,452	3,429	220	15,491
Trade payables*	29,322	-	27,235	2,087	-	29,322
Other financial liabilities	390	-	263	-	-	263
Total	45,203	8,390	30,950	5,516	220	45,076

As at 01 April 2022	Carrying amount	Contractual maturities				
Particulars	Amount	Repayable on demand	Upto 1 year	Between 1 - 3 years	Beyond 3 years	Total
Financial liabilities						
Borrowings	11,871	6,451	1,736	3,154	531	11,872
Trade payables*	21,617	-	19,262	2,355	-	21,617
Other financial liabilities	14	-	14	-	-	14
Total	33,502	6,451	21,012	5,509	531	33,503

* In the balance sheet, trade payables are classified based on the operating cycle of the Company.



C Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rate risks. The Company's exposure to risk of changes in market interest rates primarily to the Company's long-term debt obligations. For the Company the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest and optimise borrowing mix / composition.

- Interest rate exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Variable rate borrowing	15,193	14,740	11,227
Fixed rate borrowings	3,146	752	645
Total	18,339	15,491	11,872

- Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax and equity (holding all other variables constant)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
50 bps increase would decrease the profit before tax/equity by*	(76)	(74)	(56)
50 bps decrease would increase the profit before tax/equity by*	76	74	56

* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised during the period.

Mutual fund price risk

The value of unquoted mutual fund investments measured at fair value through profit and loss as at 31 March 2024 is INR 90 lakhs (31 March 2023: INR 81 lakhs, 01 April 2022: INR 39 lakhs). A 10% change in value for year ended 31 March 2024 would result in an impact of INR 9 lakhs (31 March 2023: INR 8 lakhs, 01 April 2022: INR 4 lakhs) on profit before tax and other equity (holding all other variables constant).

48 Capital management

The Company's objectives when managing capital are to :

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The Company maintains its capital structure and makes adjustments, if required in the light of changes in economic conditions and the requirements of the financial covenants. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is net debt divided by equity and intends to manage optimal gearing ratios. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

The gearing ratios are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Net debt (Total borrowings less cash and cash equivalents)	18,331	15,479	11,857
Total equity	29,129	13,113	8,921
Capital gearing ratio	0.63	1.18	1.33



Note 49: Disclosures as required by Indian Accounting Standard (Ind AS) 101 - "First time adoption of Indian Accounting Standard"

First Ind AS Financial statements

These financial statements, as at and for the year ended 31 March 2024, are the first financial statements which have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules as amended from time to time notified under the Companies (Accounting Standards) Rules, 2015. The Company has prepared financial statements which comply with Ind AS applicable for year ended on 31 March 2024, together with the comparative period data as at and for the year ended 31 March 2023, as described in the material accounting policies hence not comparable with the statutory financial statements signed for the comparative period. In preparing these financial statements, the Company's opening balance sheet was prepared as at 01 April 2022, the Company's date of transition, to Ind AS. This note explains the principal adjustments made by the Company in restating its earlier financial statements, including the balance sheet as at 01 April 2022 and the financial statements as at and for the year ended 31 March 2023.

A. Exemptions and exceptions available

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. Set out below are the applicable Ind AS 101 optional exemption and mandatory exemption applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions:

Deemed cost for property, plant and equipment, intangible assets and investment properties

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 - Intangible Assets and investment properties covered under Ind AS 40 - Investment properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangibles assets and investment properties at the carrying value under the previous GAAP and use that carrying value as the deemed cost on the date transition to Ind AS.

Fair value measurement of financial assets and financial liabilities at initial recognition

Ind AS 109 requires fair value measurement, retrospectively, however an entity may apply the requirements of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. Accordingly, the Company has opted such exemption.

A.2 Ind AS mandatory exceptions:

A.2.1 Estimates

The estimates as at 01 April 2022 and as at 31 March 2023 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect differences, if any in accounting policies) apart from impairment of financial assets based on the expected credit loss model where the application of previous GAAP did not require such estimation.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 01 April 2022, the date of transition to Ind AS and as at 31 March 2023.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

A.2.3 Impairment of financial assets

Ind AS 101 provides relaxation from applying the impairment related requirements of Ind AS 109 retrospectively.

At the date of transition, the Company has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised and compare that to the credit risk at the date of transition to Ind AS. Similarly the Company has recognized a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is de-recognised.

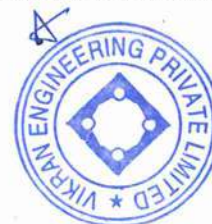
A.2.4 Derecognition of financial assets and financial liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transitions to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from date of transition to Ind AS.

A.2.5 Impact of application of lease accounting under Ind AS 116

Under Ind AS, the Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments and present value of security deposits), the Company adopted Ind AS 116 using the modified retrospective approach.



B. Reconciliation of equity and total comprehensive income between previous GAAP and Ind AS

The Company has adopted Ind AS with effect from 01 April 2022. Accordingly the impact of transition has been provided in the opening reserves as at 01 April 2022 and all the periods presented have been restated accordingly. The following tables represent the reconciliations from previous GAAP to Ind AS.

B.1 Reconciliation of equity as at 31 March 2023 and 01 April 2022

Particulars	Notes to first time adoption	As at 31 March 2023	As at 01 April 2022
Equity as per previous GAAP		13,497	9,294
Adjustments			
Impact of application of lease accounting under Ind AS 116	B.3.1	(6)	(1)
Impact of allowance for expected credit losses	B.3.2	(503)	(503)
Impact on account of fair value of mutual fund investments	B.3.4	1	3
Tax effect on above adjustments		124	128
Total adjustments		(384)	(373)
Equity as per Ind AS framework		13,113	8,921

B.2 Reconciliation of net profit after tax as per previous GAAP to total comprehensive income under Ind AS

Particulars	Notes to first time adoption	Year ended 31 March 2023
Net profit after tax as per previous GAAP		4,305
Adjustments		
Impact of application of lease accounting under Ind AS 116	B.3.1	(6)
Impact of provision for expected credit losses	B.3.2	-
Impact on account of remeasurement of post employment benefit obligation	B.3.3	(13)
Impact on account of fair value of mutual fund investments	B.3.4	2
Tax effect on above adjustments		(4)
Total adjustments		(21)
Net profit after tax as per Ind AS		4,284
Other comprehensive income as per Ind AS		10
Total comprehensive income as per Ind AS framework		4,294

B.3 : Notes to first time adoption of Ind AS

1. Impact of accounting under Ind AS 116 'Leases'

Under Ind AS, the Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments, and present value of security deposits). The Company adopted Ind AS 116 using the modified retrospective approach.

2. Allowance as per expected credit loss model

Under previous GAAP, the Company created provision of doubtful debts and advances based on the incurred credit loss model. Under Ind AS, provision has been determined based on expected credit loss model (ECL) on all financial assets (other than those measured at fair value).

3. Remeasurement of post-employment benefit obligations - gratuity and compensated absences

Under the previous GAAP, these remeasurement were forming part of the statement of profit and loss for the year.

Under Ind AS, remeasurement i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income.

4. Remeasurement of investments in mutual funds

Under the previous GAAP, investments in mutual fund units were accounted at cost. Under Ind AS, these investments have been recognised at FVTPL.

C : Others

Pursuant to changes described above on adoption of Ind AS, corresponding effect has been given in the operating, investing and financing activity in the statement of cash flows as well. The transition to Ind AS did not effect the net increase/ decrease in cash and cash equivalents.

D. This is the first year of Ind AS adoption for the Company. The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year's presentation.



Vikran Engineering Private Limited (formerly, Vikran Engineering & Exim Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts in INR lakhs, unless otherwise stated)

50 : Disclosure as per Ind AS 115 - Revenue from Contracts with Customers

a) Reconciliation of revenue from sale of services with the contracted price

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contracted price	78,186	53,117
Less: Variable consideration	(517)	(685)
Revenue from sale of services	77,669	52,432

b) Revenue based on performance obligations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As services are rendered (over the period of time)	77,669	52,432
Upon completion of services (at a point in time)	-	-

c) Recognised revenue earned from:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Related parties*	550	-
Others	77,118	52,431

* As per contractual arrangement, billing is done amounting to INR 915 lakhs for the year ended 31 March 2024 (31 March 2023: Nil) which has been disclosed in transaction with related parties.

d) Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Trade receivables (net carrying value)	46,390	36,991	36,403
Contract assets (unbilled work in progress)	28,916	19,464	429
Advance from customers	201	1,290	1,798
Contract liability*	14,759	8,731	2,794

* Revenue recognised during the year from contract liability is INR 8,731 lakhs (31 March 2023: INR 2,794 lakhs).

e) Movement in contract assets and contract liability

Particulars	Contract assets	Contract liability and customer advances
Balance as on 01 April 2022	429	4,592
Net increase/ (decrease)	19,035	5,429
Balance as on 31 March 2023	19,464	10,021
Net increase/ (decrease)	9,452	4,939
Balance as on 31 March 2024	28,916	14,960

Note: Increase in contract assets is primarily due to higher revenue recognition as compared to progress billing during the year in certain projects, whereas increase in contract liabilities is due to higher progress billing as compared to revenue recognition during the year in certain other projects.

f) Cost to obtain or fulfil the contract:

- (i) Amount of amortisation recognised in Statement of Profit and Loss during the year : Nil (31 March 2023: Nil).
(ii) Amount recognised as contract assets in relation to cost incurred for obtaining contract as at 31 March 2024 : Nil (31 March 2023: Nil).

g) In the normal course of business, the payment terms contractually agreed with the customers ranges from 45 to 60 days except retention monies which are due after the completion of the project as per the terms of contract.



51 Key analytical ratios (to the extent applicable) :

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Explanation for variance in ratio by more than 25%
Current ratio	Current assets	Current liabilities	1.37	1.17	17.37%	Not applicable
Debt equity ratio	Borrowings (current and non current)	Total equity	0.63	1.18	-46.71%	The favorable variance is due to increase in share capital issued during the year, however there was slight increase in the borrowings as compared to equity.
Debt service coverage ratio	Net profit before tax + depreciation, and amortisation + interest expense on borrowings	Principal and interest repayment of long-term borrowings	0.63	0.44	42.86%	Increase is primarily because in current year, the Company's profit has increased as compared to previous year.
Return on equity (ROE)	Net profit after taxes	Average shareholders' equity	35.44%	38.89%	-8.87%	Not applicable
Inventory turnover ratio	Sale of service	Average inventory	18.32	15.61	17.38%	Not applicable
Trade receivable turnover ratio	Revenue from operations.	Average trade receivables	1.89	1.43	31.95%	Increase is because of increase in revenue from operations in the current year.
Trade payables turnover ratio	Cost of material consumed + Project related expense	Average trade payable	3.75	2.85	31.55%	Increase is because of increase in operations in current year.
Net capital turnover ratio	Revenue	Working capital (Current assets less current liabilities)	3.25	5.80	-43.95%	Decrease is primarily due to increase in working capital higher than increase in revenue from operations.
Net profit ratio	Net profit after tax	Revenue from operations	9.46%	8.10%	16.82%	Not applicable
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital employed (Total equity as per balance sheet)	46.25%	61.70%	-25.03%	Reduction is mainly on account of increase in net assets/total equity of the Company in the current year due to increase in share capital and securities premium.
Return on investment	Net profit after taxes	Total assets	7.80%	6.01%	29.69%	Increase is because of increase in net profit after taxes in the current year.

52 Other statutory information as per Schedule III to the Act

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.
(iv) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
(v) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
(vi) There are no transactions or outstanding balances with struck off companies as at and for the years ended 31 March 2024 and 31 March 2023 except below:

Name of Company	Nature of transactions	31 March 2024	Relationship	31 March 2023	Relationship
Eweels Logistics Services India Private	Payables	(0)	Vendor	0	Vendor
Lorshi Enterprises Private Limited	Payables	0	Vendor	0	Vendor
Taneesh Travel And Tours Private	Payables	(0)	Vendor	0	Vendor
Kedar Badri Construction Private Limited*	Payables	3	Vendor	2	Vendor
Rishabh Human Resource Solution Private Limited*	Payables	4	Vendor	0	Vendor
TMSV Paripurnam Infrastructure (OPC) Private Limited*	Payables	1	Vendor	(0)	Vendor
Unive Orbital Private Limited	Payables	3	Vendor	1	Vendor
Vidhudi Engineering India Private Limited	Payables	0	Vendor	0	Vendor
Plinth Construction Private Limited	Payables	0	Vendor	0	Vendor
Jyotipriya Infotech Private Limited	Payables	1	Vendor	0	Vendor

* Balance written back



- 53 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 54 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall :
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 55 The Board of Directors of the Company, at their meeting held on 18 December 2021, had approved the scheme of amalgamation of the Company with Farista Financials Consultants Private Limited and Deb Suppliers and Traders Private Limited under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 ('the Merger'). The Company has filed petition with National Company Law Tribunal (NCLT), Mumbai Bench in relation to the merger, pursuant to applicable provision of the Companies Act, 2013. The aforesaid scheme is presently subject to requisite statutory and regulatory approvals, as applicable.
- 56 Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail is not disabled.
- The Company uses an accounting software for maintaining its books of account which is operated by a third party software service provider which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software at an application level. The 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation) does not provide any information on the audit trail feature at database level for the said accounting software. Further, the audit trail feature is not tampered with, where such feature is enabled.

These are the notes to the financial statements referred to in our report of even date


For Walker Chandlok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

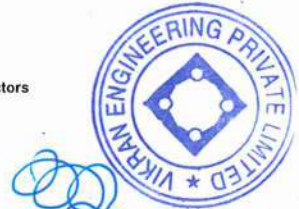
Rakesh R. Agarwal
Partner
Membership No.: 109632
Place : Mumbai
Date : 07 August 2024




For and on behalf of the Board of Directors


Rakesh Markhedkar
Managing Director
DIN : 07009284
Place: Thane
Date: 07 August 2024


Ashish Bahety
Chief Financial Officer
Place: Thane
Date: 07 August 2024




Avinash Markhedkar
Director
DIN : 03089201
Place: Thane
Date: 07 August 2024


Kajal Rakholiya
Company Secretary
Place: Thane
Date: 07 August 2024