17th ANNUAL REPORT
2024-2025

VIKRAN

VIKRAN ENGINEERING LIMITED

(Earlier Known as Vikran Engineering & Exim Private Limited)

VIKRAN

BOARD OF DIRECTORS

MR. RAKESH ASHOK MARKHEDKAR - CHAIRMAN & MANAGING DIRECTOR
MR. AVINASH ASHOK MARKHEDKAR - WHOLE-TIME DIRECTOR
MR. NAKUL MARKHEDKAR - WHOLE-TIME DIRECTOR (Appointed w.e.f. 01-02-2024)

COMPANY SECRETARY AND COMPLIANCE OFFICER

MS. KAJAL RAKHOLIYA (Appointed w.e.f. 06-05-2024)

STAUTORY AUDITORS

M/S. WALKER CHANDIOK & CO LLP,
CHARTERED ACCOUNTANTS

INTERNAL AUDITOR

M/S. SHETTY & SHETTY
CHARTERED ACCOUNTANTS

BANKERS

BANK OF MAHARASHTRA
UNION BANK OF INDIA
BANK OF BARODA
BANK OF INDIA
PUNJAB NATIONAL BANK
KARNATAKA BANK
CENTRAL BANK OF INDIA
CANARA BANK

REGISTERED OFFICE

401, ODYSSEY IT PARK, ROAD NO. 9,
WAGLE INDUSTRIAL ESTATE,
THANE(W), MUMBAI. - 400604.
Tel No: 022-68693263
Email: companysecretary@vikrangroup.com
Website: www.vikrangroup.com

REGISTRAR & TRANSFER AGENT

M/S. BIGSHARE SERVICES PRIVATE LIMITED
Office No S6-2, 6th Floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra, India
Tel No.: 022-6263 8200
Email: investor@bigshareonline.com

VIKRAN

INFORMATION FOR SHAREHOLDERS
17TH ANNUAL GENERAL MEETING

DATE : MONDAY, AUGUST 25, 2025

TIME **:** 03:00 P.M.

MODE : THROUGH VIDEO CONFERENCING ("VC")/OTHER AUDIO VISUAL MEANS ("OVAM")

Contents:

NOTICE OF 17TH ANNUAL GENERAL MEETING

NOTICE is hereby given that an 17th AnnualGeneral Meeting of the Members of **Vikran Engineering Limited (Formerly known as Vikran Engineering & Exim Private Limited)** ("Company") will be held on Monday, 25th August, 2025 at 03.00 P.M. IST through Video Conferencing ("VC")/Other Audio-Visual Means ("OVAM")to transact the following business:

This notice of meeting is given pursuant to Section 101 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) ("Companies Act") in accordance with the Articles of Association of the Company. [This notice is a shorter notice of 1 days given pursuant to Section 101(1) of the Companies Act, in accordance with the Articles of Association of the Company, after obtaining requisite consents from the Members.]

Ordinary Business:

1. To consider and adopt the Annual Audited financial statements of the Company for the financial year ended 31st March, 2025 consisting of the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement together with the reports of the Board of Directors and Auditors thereon.

2. To declare a final dividend of Rs. 0.21/- (Rupees zero point two one paise only) per equity share of Rs. 1/- each of the Company for the financial year ended 31st March, 2025.

3. To appoint a Director in place of Mr. Avinash Ashok Markhedkar (DIN: 03089201), who retires by rotation and being eligible, offers himself for reappointment.

Special Business:

4. **HOLDING OF OFFICE OR PLACE BY MRS. KANCHAN MARKHEDKAR**

   To consider and, if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution: -
   RESOLVED THAT pursuant to Section 177, 188 (1) (f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Act") (including any statutory modification(s) or re-enactments thereof for the time being in force), and Regulation 23 of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary and as per the recommendation of Nomination & Remuneration Committee and Audit Committee and pursuant to approval of the Board of the Company dated 18th August 2025, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board), to renew /enter into new/ further contracts/ arrangements/ agreements/ transactions (including any modifications, alterations, amendments or renewal thereto), in the ordinary course of business for Mrs. Kanchan Markhedkar, (Head of Human Resource and Administration) being related party, to continue to hold an office or place of profit in the company for the period of five (5) years with retrospective effect from 1st April 2025 to 31st March 2030 subject to the remuneration of Rs 2,89,85,700(Rupees Two crores Eighty Nine Lakhs Eighty Five Thousand Seven Hundred only) per annum and such other perquisite, allowances, incentives, benefits, facilities, schemes, reimbursements, leave encashment, provident fund contribution, gratuity, health and other insurances, vehicle or any other kind of benefit as granted to senior employees of the Company as per rules and policies of the Company, as applicable, from time to time on terms and conditions including remuneration as may be agreed by the Nomination & Remuneration Committee, Audit Committee and Board of Directors of the Company and as further set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation in the Act and or the Rules in this regard, the Board of Directors (and any committee thereof, if so, required by law) be and are hereby authorised to act in accordance with such applicable law without further reference to, or requirement to seek approval of the members of the Company

RESOLVED FURTHER THAT the Board be and is hereby authorised to alter, modify and vary the terms and conditions of employment of, and the remuneration, including salary, allowances, perquisites, incentives and benefits payable to Mrs. Kanchan Markhedkar, to the extent the Board may deem fit, and to do all such acts, deeds, matters and things as it may, in its sole and absolute discretion deem necessary, expedient, usual or proper to give effect to this Resolution and to sign and file necessary documents, e-form with the Ministry of Corporate Affairs.''

5. **HOLDING OF OFFICE OR PLACE BY MR. VIPUL MARKHEDKAR**

To consider and, if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution: -

RESOLVED THAT pursuant to Section 177, Section 188 (1) (f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Act") (including any statutory modification(s) or re-enactments thereof for the time being in force), and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary and as per the approval of Nomination & Remuneration Committee and Audit Committee and the Board of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board), to renew /enter into new/ further contracts/ arrangements/ agreements/ transactions (including any modifications, alterations, amendments or renewal thereto), in the ordinary course of business for Mr. Vipul Markhedkar, (Head of Business Development)being related party, to continue to hold an office or place of profit in the company for the period of five (5) years with retrospective effect from 1st April 2025 to 31st March 2030 subject to the remuneration of Rs 1,51,64,667/- (Rupees One Crores Fifty One Lakhs Sixty Four Thousand Six Hundred Sixty Seven one only) per annum and such other perquisite, allowances, incentives, benefits, facilities, schemes, reimbursements, leave encashment, provident fund contribution, gratuity, health and other insurances, vehicle or any other kind of benefit as granted to senior employees of the Company as per rules and policies of the Company, as applicable, from time to time on terms and conditions including remuneration as may be agreed by the Nomination & Remuneration Committee, Audit Committee and Board of Directors of the Company and as further set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation in the Act and or the Rules in this regard, the Board of Directors (and any committee thereof, if so, required by law) be and are hereby authorised to act in accordance with such applicable law without further reference to, or requirement to seek approval of the members of the Company

RESOLVED FURTHER THAT the Board be and is hereby authorised to alter, modify and vary the terms and conditions of employment of, and the remuneration, including salary, allowances, perquisites, incentives and benefits payable to Mr. Vipul Markhedkar, to the extent the Board may deem fit, and to do all such acts, deeds, matters and things as it may, in its sole and absolute discretion deem necessary, expedient, usual or proper to give effect to this Resolution to sign and file necessary documents, e-form with the Ministry of Corporate Affairs.''

6. **TO RATIFY RELATED PARTY TRANSACTIONS ENTERED IN THE FINANCIAL YEAR 2024-2025**

To consider and, if thought fit, to pass the following resolution with or without modification(s) the following resolution as an Ordinary Resolution: -

"RESOLVED THAT pursuant to the Section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board & its Powers) Rules, 2014, as applicable and any amendments thereto and in accordance with the omnibus approval granted by the Audit Committee and the consent accorded by the Board of the Directors of the Company for the related party transactions as entered into by the Company with Related Parties in the ordinary course of business on an arm's length basis holding an office or place of profit during the Financial Year 2024-2025 as detailed herein below, the value of which exceeds the limits as specified under Rule 15 of Companies (Meetings of Board and its powers) Rules 2014, be and are hereby ratified and approved by the Members.

Sr. No.	**Name of the Party**	**Nature of the Transaction**	**The amount of the Transaction (Rs. In lakhs)**
1..	Mrs. Kanchan Markhedkar - Wife of Chairman and Managing Director	Remuneration	**264**
2.	Mr. Vipul Markhedkar - Son of Chairman and Managing Director	Remuneration	**138**

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to settle any question, difficulty or doubt that may arise with regard to giving effect to this Resolution and to do all such acts, deeds, things as may be necessary in its absolute discretion, to finalize any documents and writings related thereto and to sign and file necessary documents, e-form with the Ministry of Corporate Affairs.''

7. **RATIFICATION OF REMUNERATION TO COST AUDITORS FOR FINANCIAL YEAR ENDING 31ST MARCH, 2026:**

To consider and, if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution: -

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. R.R, Ahirwar & Associates ., Cost Accountants (Firm Registration No. 103745), appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026, amounting to Rs 4,00,000/-(Rupees Forty Lakhs) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified."

RESOLVED FURTHER THAT the Board and/or any person authorised by the Board, be and is hereby authorised severally to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

8. **TO APPOINT M/S GEETA CANABAR & ASSOCIATES, COMPANY SECRETARIES AS SECRETARIAL AUDITOR OF THE COMPANY**

To consider and, if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution: -

RESOLVED THAT pursuant to the provisions of Sections 179 and 204 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and based on the recommendations of the Audit Committee and the Board of Directors, the approval of the members be and is hereby accorded for the appointment of M/s Geeta Canabar & Associates, Company Secretaries (COP No -8330, Membership No: 8702) as Secretarial Auditor of the Company for a term of five consecutive years, commencing from Financial Year 2025-26 till Financial Year 2029-30 at such remuneration and on such terms and conditions as may be determined by the Board of Directors(including its committees thereof), and to avail any other services, certificates, or reports as may be permissible under applicable laws.

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.

By Order of the Board
For Vikran Engineering Limited
(Formerly known as Vikran Engineering & Exim Limited)

RAKESH ASHOK MARKHEDKAR
Managing Director
DIN: 07009284
Place: Thane

Date: 18th August 2025

Registered office :
401, Odyssey IT Park, Road No. 9,
Industrial Wagle Estate,
Thane-400604

Notes:

i. The Company is convening the Annual General Meeting (AGM) through video conferencing and no physical presence of members or Directors shall be required. The deemed venue of this Annual General Meeting shall be considered as the registered office of the Company situated at 401, Odyssey IT Park, Road No. 9, Wagle Industrial Estate, Thane(W), Mumbai. - 400604 India.

ii. The Ministry of Corporate Affairs ("MCA") has, vide its General Circular dated September 25, 2023, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the registered office of the Company.

iii. The Company is providing two-way teleconferencing facility for the ease of participation of the members. Link for joining the meeting will be shared along with the notice of this meeting or through separate email.

iv. It is being informed that physical presence of the members has been dispensed with for attending the AGM through VC/OAVM, therefore, the facility to appoint proxy to attend and cast vote for the members will not be available for this AGM and the Proxy Form, Attendance Slip and route map are not annexed to this Notice.

v. The Meeting is being convened at a shorter notice, with the written consent of more than 95% of the Members of the Company entitled to vote in pursuance with the provisions of Section 101 of the Companies Act, 2013.

vi. A Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Meeting is enclosed herewith.

vii. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company during business hours except on holidays. The soft copy of aforesaid documents will be also available for inspection by members at the Meeting.

viii. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

ix. The Members can join the AGM through the VC/OAVM mode 10 minutes before the scheduled time of the commencement of the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION TO 102 OF THE COMPANIES ACT 2013

ITEM NO 4

The Provisions of Section 188(1)(f) of the Companies Act, 2013 governs the related party's appointment to any place or place of profit in the Company, or its subsidiary or associate Company.

Mrs. Kanchan Markhedkar, wife of Mr. Rakesh Ashok Markhedkar, Chairman and Managing Director of the Company holds a place of profit under Section 188(1)(f) and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force)

Mrs. Kanchan Markhedkar, (Head of Human Resource and Administration) contributed immensely in the growth of the Company and currently holds a place of profit in the Company and it's a arm's length transaction. Further, as the said resolution, will attract provision of SEBI (LODR) and section 188 (1) (f) of the Companies Act, 2013, i.e. making payment to a relative beyond ₹2,50,000/- p.m., the above matter was recommended by Nomination & Remuneration Committee, Audit Committee and the Board vide their meeting dated 18th August 2025, for approval of the Members of the Company.,

Mrs Kanchan Markhedkar has M. Sc. in Statistics. Her Key competencies is in business planning, value generation and creative thinking. Considering her experience, skills and contributions in the Company, the Board recommends her appointment for the period of five (5) years with retrospective effect from 1st April 2025 to 31st March 2030 and further it is now proposed to revise remuneration of Rs 2,89,85,700 (Rupees Two crores Eighty Nine Lakhs Eighty Five Thousand Seven Hundred only) per annum plus annual increment and such other perquisite, bonus/ special incentives etc. as may be decided by the Nomination & Remuneration Committee, Audit Committee the Board from time to time.

The Board of the Directors recommends to pass the said Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution except Mr. Rakesh Ashok Markhedkar, Mr. Nakul Markhedkar and Mr. Avinash Ashok Markhedkar and their relatives.

ITEM NO 5

The Provisions of Section 188(1)(f) of the Companies Act, 2013 governs the related party's appointment to any place or place of profit in the Company, or its subsidiary or associate Company.

Mr. Vipul Markhedkar, son of Mr. Rakesh Ashok Markhedkar, Chairman and Managing Director of the Company holds a place of profit under Section 188(1)(f) and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force)

Mr. Vipul Markhedkar, (Head of Business Development) contributed immensely in the growth of the Company and currently holds a place of profit in the Company and it's a arm's length transaction. Further, as the said resolution, will attract provision of SEBI (LODR) and section 188 (1) (f) of the Companies Act, 2013, i.e. making payment to a relative beyond ₹2,50,000/- p.m., the above matter was recommended by Nomination & Remuneration Committee, Audit Committee and the Board vide their meeting dated 18th August 2025, for approval of the Members of the Company.,

Mr. Vipul Markhedkar holding degree in Master in Business Administration. His Key competencies is strategic partnering, business planning and development, leadership, strategic sourcing, financial acumen, branding and networking. Considering his experience, skills and contributions in the Company, the Board recommends his appointment for the period of five (5) years with retrospective effect from 1st April 2025 to 31st March 2030 and further it is now proposed to revise remuneration of Rs. 1,51,64,667/- (Rupees One Crores Fifty One Lakhs Sixty Four Thousand Six Hundred Sixty Seven one only) per annum plus annual increment and such other perquisite, bonus/ special incentives etc. as may be decided by the Nomination & Remuneration Committee, Audit Committee the Board from time to time.

The Board of the Directors recommends to pass the said Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution except Mr. Rakesh Ashok Markhedkar, Mr. Nakul Markhedkar and Mr. Avinash Ashok Markhedkar and their relatives.

ITEM NO 6

Pursuant to the provisions of Section 188 of the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended, and other applicable provisions, if the value of certain related party transactions exceeds the specified thresholds and even if such transactions are in the ordinary course of business and holding an office or place of profit on an arm's length basis, approval of the Members is required in certain cases, either prior to or by way of ratification.

Further, as per Rule 15 of the said Rules, such transactions require the approval of the Members by way of an ordinary resolution, if the value of the transaction(s) exceeds the prescribed limits. Accordingly, the following transactions entered into by the Company with its related parties during the financial year 2024–25, which exceeded the thresholds prescribed under the applicable rules, are being placed before the Members for their ratification and approval:

Sr. No.	Name of the Party	Nature of the Transaction	The amount of the Transaction (Rs. In lakhs)
1.	Mrs. Kanchan Markhedkar - Wife of Chairman and Managing Director	Remuneration	**264**
2.	Mr. Vipul Markhedkar - Son of Chairman and Managing Director	Remuneration	**138**

All the above transactions were undertaken in the ordinary course of business and on an arm's length basis. The Audit Committee has granted omnibus approval in its meeting held on 29th September 2024 for these transactions, and the Board has taken note of the same.

As per the provisions of Section 188, related parties are not entitled to vote on the resolution concerning their related party transaction(s). Accordingly, the related parties, to the extent of their shareholding interest in the Company, shall abstain from voting on this resolution.

The Board recommends the resolution set out in the Notice for the approval of the Members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution except Mr. Rakesh Ashok Markhedkar, Mr. Nakul Markhedkar and Mr. Avinash Ashok Markhedkar and their relatives.

ITEM NO 7

The Board of Directors, upon recommendation of the Audit Committee, approved the appointment of M/s. R.R, Ahirwar & Associates, Cost Accountants (Firm Registration No. 103745), , Cost Accountants as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2025-2026 on the remuneration payable to them as per details furnished in item no. 8 of the Notice of the Annual General Meeting.

In accordance with the provisions of Section 148 of the Act read with Rule 14 (a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, consent of the Members is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2025-2026.

None of the Directors and Key Managerial Personnel of the Company, including their relatives are concerned with or interested in, financially or otherwise, in the resolution as set out at item no. 8. The Board recommends the Ordinary Resolution set out at Item No. 8 for approval by Members.

ITEM NO 8

As per the provisions of Section 204(1) of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every public company having a paid-up share capital of Rs.50 crore or more, or turnover of Rs.250 crore or more, is required to obtain a Secretarial Audit Report from a Practising Company Secretary in Form MR-3 and annex it to the Board's Report.

Further, in the case of companies governed by SEBI regulations, Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, mandates annual secretarial audits by a practicing company secretary and submission of such audit reports within the prescribed timelines.

In view of the above, and based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on 18th August, 2025 has approved the appointment of M/s Geeta Canabar & Associates, Practising Company Secretaries (Proprietor: Ms. Geeta Canabar, Membership No. 8702, COP No. 8330), as the Secretarial Auditor of the Company for a period of five consecutive financial years, from FY 2025–26 to FY 2029–30, to conduct the Secretarial Audit in accordance with applicable provisions.

Ms. Geeta Canabar is a fellow member of the Institute of Company Secretaries of India ("ICSI") and also holds a Master's degree in Commerce and Law degree. Ms. Geeta Canabar has consented to her appointment as Secretarial Auditor and has confirmed that she has subjected herself to peer review process of the ICSI and holds a valid certificate of peer review issued by the ICSI. Further, Me Geeta Canabar has confirmed that she is eligible for appointment as the Secretarial Auditor and has not incurred any disqualification specified by the Securities and Exchange Board of India.

The Board also proposes that the said firm may be engaged to provide any additional secretarial services, certificates, or reports as may be required under applicable laws, on such terms and conditions (including remuneration) as may be decided by the Board of Directors or its committee(s) from time to time.

In accordance with the provisions of Regulation 24A of the Listing Regulations, the appointment of Secretarial Auditor is required to be approved by the members of the Company. Accordingly, the resolution is proposed for approval of the members by way of an Ordinary Resolution.

None of the Directors, Key Managerial Personnel, or their relatives are, in any way, financially or otherwise concerned or interested in the said resolution.

By Order of the Board
ForVikran Engineering Limited
(Formerly known as Vikran Engineering & Exim Limited)

Sd/-

RAKESH ASHOK MARKHEDKAR
Managing Director
DIN: 07009284

Place: Thane
Date: 18th August 2025

Registered office :
401, Odyssey IT Park, Road No. 9,
Industrial Wagle Estate,
Thane-400604

DIRECTORS’ REPORT FOR FINANCIAL YEAR 2024-2025

To,

The Members,

VIKRAN ENGINEERING LIMITED

(Formerly Known as Vikran Engineering & Exim Private Limited)

Your Director’s have pleasure in presenting their 17th Annual Report on the business and operations of Vikran Engineering Limited (Formerly Known as Vikran Engineering & Exim Private Limited) (“The Company”) together with the Audited Financial statements of the Company for the Financial Year ended 31st March, 2025.

1. FINANCIAL STATEMENTS & RESULTS:

Financial Results

The Company's performance during the year ended 31st March, 2025 as compared to the previous financial year, is summarized below:

(Rs. in Lakhs)

Particulars	**For the financial year ended 31st March, 2025**	**For the financial year ended 31st March, 2024**
Total Income	92,236	79,144
Less: Expenses	81,217	69,067
Profit before exceptional and extraordinary items and tax	11,019	10,077
Profit before tax	11,019	10,077
Less: Tax Expenses	3,238	2,592
Exception Income	-	-
Exception expenditure	-	-
Profit after Tax	7,781	7,485

2. **OPERATIONAL REVIEW AND THE STATE OF COMPANY'S AFFAIRS:**

- The Company has reported Total Revenue of Rs. 92,236 lakhs as compared to Rs. 79,144 lakhs in previous year.
- The Company experienced a Profit after Tax of Rs. 7,781 lakhs as compared to Rs. 7,485 lakhs in previous year.
- There was tax expense of Rs. 3,238 lakhs for the year ended March 31, 2025 as compared to Rs. 2,592 lakhs in previous year.

Your Director's are continuously looking for avenues for future growth of the Company.

3. **SHARE CAPITAL STRUCTURE:**

A. **AUTHORISED SHARE CAPITAL**

As on March 31, 2025, the Authorised Share Capital of the Company stood at Rs. 30,00,00,000/- (Rupees Thirty Crores Only) divided into 30,00,00,000 Equity Shares of Re. 1/- each.

During the period under review, there were changes in the Authorised Share Capital Structure of the Company which are as follows:

1. The Authorised Share Capital of the Company has been sub-divided from Rs. 50,00,000/- (Rupees Fifty Lakhs Only) divided into 5,00,000 Equity Shares of Rs. 10/- each to Rs. 50,00,000/- (Rupees Fifty Lakhs Only) divided into 50,00,000 Equity Shares of Re. 1/- each via Special Resolution passed in the Extra Ordinary General Meeting of the Company on 12th August, 2024.

2. Further, pursuant to Scheme of Arrangement approved by the National Company Law Tribunal (NCLT), Mumbai bench under sections 230-232 of the Companies Act, 2013 vide

order dated 14th August, 2024, the Authorised Share Capital of the Company was increased from Rs. 50,00,000/- (Rupees Fifty Lakhs Only) divided into 50,00,000 Equity Shares of Re. 1/- each to Rs. 70,50,000/- (Rupees Seventy Lakhs Fifty Thousand Only) divided into 70,50,000 Equity Shares of Re. 1/- each.

3. Further, The Authorised Share Capital of the Company was increased from Rs. 70,50,000 (Rupees Seventy Lakhs Fifty Thousand Only) divided into 70,50,000 Equity Shares of Re. 1/- each to Rs. 30,00,00,000/-(Rupees Thirty Crores Only), divided into 30,00,00,000 Equity Shares of Re. 1/- each via Ordinary Resolution passed in the Extra Ordinary general Meeting of the Company on 12th August, 2024.

B. <u>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</u>

As on March 31, 2025, the Issued, Subscribed and Paid-up share capital of the Company stood at Rs. 18,35,81,130/- (Rupees Eighteen Crores Thirty-Five Lakhs Eighty-One Thousand One Hundred and Thirty Only) comprising of 18,35,81,130 Equity Shares of Re.1/- each.

During the Financial Year under review, there were changes in the issued, subscribed and paid-up share capital of the Company which are as follows:

Sr. No.	Date of Allotment of Equity Shares	Type of allotment	No. of Equity Shares (before split and Bonus)	Face Value	Premium	Amount in Rs.	Form of consideration
1	25th July, 2024	Private Placement	1860	10	37,637.32/-	Rs.7,00,24,015.20/-	Cash
2	26th July, 2024	Private Placement	3320	10	37637.32/-	Rs. 12,49,89,104/-	Cash

3	30th July, 2024	Private Placement	1,196	10	37637.32/-	Rs. 4,50,26,197/-	Cash
4	02nd August, 2024	Private Placement	5,843	10	37637.32/-	Rs. 21,99,73,296/-	Cash
5	03rd August, 2024	Private Placement	7,177	10	37637.32/-	Rs. 27,01,94,822/-	Cash
6	05th August, 2024	Private Placement	1,596	10	37637.32/-	Rs. 6,00,85,124/-	Cash
7	21st August, 2024	Private Placement	5,978	10	37637.32/-	Rs. 22,50,55,679/-	Cash
8	22nd August, 2024	Private Placement	664	10	37637.32/-	Rs. 2,49,97,820/-	Cash
9	24th August, 2024	Pursuant to Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal (NCLT)	28,96,780	1	Nil	Rs. 28,96,780/-	Other than Cash
10	30th August, 2024	Bonus Issue	17,99,81,500	1	Nil	Rs. 17,99,81,500/-	Other than Cash

4. EMPLOYEE STOCK OPTION SCHEME:

During the financial year under review, the Company doesn't have any Employees Stock Option Scheme for its employees/ directors and hence no information as per the provisions of Section 62(1) (b) of the Companies Act, 2013 read with applicable rules is furnished.

5. DIVIDEND:

The Board of Directors have recommended a Dividend of Rs. 0.21/- (Rupees zero point two one paise Only) per equity share of Re. 1/- (Rupee One Only) each fully paid-up of the Company. Dividend is subject to approval of members in the ensuing Annual General Meeting and shall be subject to deduction of income tax at source.

The Dividend recommended is in accordance with the Company's Dividend Distribution Policy.

The said Policy is available on the Company's website and can be accessed at https://www.vikrangroup.com/investors-relation/financials.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no unclaimed dividend till date.

7. TRANSFER TO RESERVES:

Pursuant to Section 71 of the Companies Act, 2013, read with Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, the Company has transferred Rs. 5,00,00,000/- (Rupees Five Crores Only) to the Debenture Redemption Reserve (DRR) out of the retained earnings.

8. MATERIAL EVENTS DURING THE YEAR UNDER REVIEW:

a) Change in Name of the Company:

The name of the Company has been changed from "Vikran Engineering & Exim Private Limited" to "Vikran Engineering Private Limited" via Special Resolution passed in Extra Ordinary General Meeting held on 17th June, 2024.

b) Private Placement of Equity Shares:

During the period under review, the Company has issued and allotted 27,634 Equity Shares at a price of Rs. 37,647.32/- each having Face value of Rs. 10/- each aggregating to Rs. 1,04,03,46,057.20/- (Rupees One Hundred Four Crores Three Lakh Forty-Six Thousand Fifty Seven and Twenty Paise Only) on a Private Placement Basis.

Kindly Refer table mentioned in point no. 3(B) for the details of allotment.

c) Conversion of Private Limited Company into Public Limited Company:

During the period under review, the Company was converted from a Private Limited Company to a Public Limited Company, resulting into name change of the Company from "Vikran Engineering Private Limited" to "Vikran Engineering Limited" via Special Resolution dated 12th August, 2024.

d) Issue of Equity Shares pursuant to approval of Scheme of Arrangement:

In accordance with the scheme of arrangement approved by National Company Law Tribunal, Mumbai Bench order dated 14th August, 2024, Deb Suppliers & Traders Private Limited (First Transferor Company), Farista Financial Consultants

Private Limited (Second Transferor Company) with Vikran Engineering Limited (Transferee Company) (formerly known as Vikran Engineering & Exim Private Limited), allotted 28,96,780 Equity shares of Re. 1/- each to the members of the Transferor Companies.

e) **Issue of Bonus Shares:**

During the period under review, the Company has issued and allotted Bonus Equity Shares 17,99,81,500 having face value of Re. 1/- each aggregating to Rs. 17,99,81,500/- (Rupees Seventeen Crores Ninety Nine Lakhs Eighty One Thousand and Five Hundred Only) in the proportion of 50 bonus equity shares of Re. 1 /- each for every 1 equity share of Re. 1/-.

f) **Issue of Debentures on Private Placement basis:**

The Company has issued and allotted Secured, Rated, Redeemable, Unlisted, Non–Convertible Debentures aggregating to Rs. 50,00,00,000/- (Rupees Fifty Crores Only) on Private Placement Basis. The details of allotment of Debenture are as follows:

Sr. No.	Date of Allotment	Type of allotment	No. of Debentures	Face Value	Amount in Rs.	Form of consideration
1.	23rd October, 2024	Private Placement	50	50,00,000/-	25,00,00,000/-	Cash
2.	10th January, 2025	Private Placement	50	50,00,000/-	25,00,00,000/-	Cash

g) Initial Public Offer (IPO) of Equity Shares

During the period under review, the Company passed a resolution for issue of Initial Public Offer (IPO) of Equity Shares up to Rs. 500 crores ("Fresh Issue") (with an option to the Company to retain an over-subscription to the extent of 1% of the net Offer (defined below) size, or such other extent as may be permitted under the Applicable Laws and an offer for sale of up to such number of Equity Shares aggregating up to Rs. 50 Crores by existing and eligible shareholders of the Company (the "Selling Shareholders").

Subsequently, a resolution was passed for revision in limits of Initial Public Offer of Equity Shares from Rs. 500 Crores to up to Rs. 1400 crores ("Fresh Issue") (with an option to the Company to retain an over-subscription to the extent of 1% of the net Offer (defined below) size, or such other extent as may be permitted under the Applicable Laws.

h) Filing of Draft Red Herring Prospectus:

The Company has filed the Draft Red Herring Prospectus with The Securities and Exchange Board of India ("SEBI") on 30th September, 2024 with a view to be listed on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE").

i) Preparation of Financials as per Indian Accounting Standards (Ind AS)

The financial statements upto the year ended 31st 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.

Since the Company is planning for initial public offering (IPO), during the period under review, the financial statements for the year ended 31st March, 2024 were prepared in accordance 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).

9. MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND DATE OF THE BOARD REPORT:

The Company has issued and allotted Secured, Rated, Redeemable, Unlisted, Non–Convertible Debentures aggregating to Rs. 25,00,00,000 on Private Placement Basis. The details of allotment of Debenture are as follows:

Sr. No.	Date of Allotment	Type of allotment	No. of Debentures	Face Value	Amount in Rs.	Form of consideration
1.	17th April, 2025	Private Placement	20	50,00,000	10,00,00,000/-	Cash
2.	24th April, 2025	Private Placement	30	50,00,000	15,00,00,000/-	Cash

10. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

During the year under review, following Companies/Body corporates became and/or ceased to be the subsidiary, joint venture or associate of the Company:

Sr. No.	Name of the Company/Body Corporate	Subsidiary, Joint Venture or Associate	Became
1	M/s RCP Engineering	Joint Venture	January 13, 2025

Except as mention above, please find below the details of existing Joint Venture:

1. Vikran-M/s Emre Ray Enerji Insaat San.Ve Tic. A.S. ("VIKRAN - EREI JV")
2. Vikran-M/s R & B Infra Project Limited ("VIKRAN - RBIPL JV")
3. Vikran-Vishnu Prakash R Punglia Limited ("VIKRAN - VPRPL JV")

11. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

12. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

The detail of the Loans, Guarantees and Investments covered under the provision of Section 186 of Companies Act, 2013 are given in the notes to the Financial Statements. (Please refer Note No. 7, 8 of the Financial Statement).

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contracts or arrangements with related parties referred to in sub section (1) of section 188 entered by the Company during the financial year ended 31st March, 2025 are at arm's length as mentioned in the financial statements Note No. 42.

Details of contracts/arrangements/ transactions with related party which are required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 are provided in "**Annexure A**" to this Report.

The policy on Related Party Transactions as approved by the Board is available on the website of the Company at https://www.vikrangroup.com/investors-relation/financials.

14. CORPORATE SOCIAL RESPONSIBILITY:

During the year Company has spent Rs. 1,19,00,000/- (Rupees One Crore Nineteen Lakhs Only) towards CSR activities. The CSR "**Annexure B**" is attached herewith.

The CSR Policy is available on the Company's website and can be accessed at https://www.vikrangroup.com/investors-relation/financials.

15. RISK MANAGEMENT:

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans. At present the Company has not identified any element of risk which may threaten the existence of the Company.

16. INTERNAL CONTROL SYSTEMS:

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its 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 disclosures.

The Company's internal control system is commensurate with its size, scale and complexities of its operations. The Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same.

17. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

The Board of Directors of the Company is duly constituted. None of the Directors is disqualified from being appointed as such under the provision of Section 164 of the Companies Act, 2013.

Composition of Board of Directors and Key Managerial Personnel as on 31st March, 2025 is as follows:

Sr No.	Name of Director/KMP	DIN	Designation	Date of Appointment
1.	Mr. Rakesh Ashok Markhedkar	07009284	Chairman & Managing Director	20/11/2015
2.	Mr. Avinash Ashok Markhedkar	03089201	Whole Time Director	02/11/2015
3.	Mr. Nakul Markhedkar	07028044	Whole Time Director	01/02/2024
4.	Ms. Priti Paras Savla	00662996	Independent Director	24/09/2024
5.	Mr. Rakesh Kumar Sharma	02166966	Independent Director	24/09/2024
6.	Mr. Arun Bhagwan Unhale	07131173	Independent Director	24/09/2024
7.	Mr. Ashish Dinesh Bahety	-	Chief Financial Officer	21/08/2023
8.	Ms. Kajal Sagar Rakholiya	-	Company Secretary & Compliance Officer	06/05/2024

During the Financial Year under review, following are the changes in the Composition of Board of Directors and Key Managerial Personnel:

- *Ms. Kajal Sagar Rakholiya was appointed as Company Secretary & Compliance Officer w.e.f. 06th May, 2024.*
- *Mr. Avinash Ashok Markhedkar designation was changed to Whole Time Director w.e.f 17th June, 2024*
- *Mr. Nakul Markhedkar was regularised as Whole-Time Director w.e.f 17th June, 2024*
- *Ms. Priti Paras Savla was appointed as an Additional Non- Executive Independent Director w.e.f. 24th September, 2024.*
- *Mr. Rakesh Kumar Sharma was appointed as an Additional Non- Executive Independent Director w.e.f. 24th September, 2024.*
- *Mr. Arun Bhagwan Unhale was appointed as an Additional Non- Executive Independent Director w.e.f. 24th September, 2024.*
- *Mr. Rakesh Ashok Markhedkar reappointed as Managing Director w.e.f 24th September, 2024*
- *Mr. Avinash Ashok Markhedkar reappointed as Whole-Time Director w.e.f 24th September, 2024*
- *Mr. Nakul Markhedkar reappointed as Whole-Time Director w.e.f 24th September, 2024*
- *Ms. Priti Paras Savla was regularised as an Independent Director w.e.f. 25th September, 2024.*
- *Mr. Rakesh Kumar Sharma was regularised as an Independent Director w.e.f. 25th September, 2024.*
- *Mr. Arun Bhagwan Unhale was regularised as an Independent Director w.e.f. 25th September, 2024.*

18. DISCLOSURES RELATED TO BOARD:

a. BOARD MEETINGS:

The Board of Directors met 31 times during the financial year ended on 31st March 2025 in accordance with the provisions of the Companies Act, 2013 and rules made there under. The intervening gap between the meetings was within the period as prescribed under the Companies Act, 2013.

The maximum gap between any two Board Meetings was less than One Hundred and Twenty days.

The names of members of the Board, their attendance in the Board Meetings are as under:

Sr. No.	Name of Directors	No. of Meetings attended	Total Meetings Held
1.	Mr. Rakesh Ashok Markhedkar	31	31
2.	Mr. Avinash Ashok Markhedkar	31	31
3.	Mr. Nakul Markhedkar	31	31
4.	Ms. Priti Paras Savla	4	4
5.	Mr. Rakesh Kumar Sharma	4	4
6.	Mr. Arun Bhagwan Unhale	4	4

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(3)(C) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2025, the Board of Directors hereby confirms that:

i. In the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;
iii. The Directors have prepared the annual accounts on a "going concern basis".
iv. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

c. <u>PERFORMANCE EVALUATION</u>

The Company has a policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors.

The Performance Evaluation Policy is available on the Company's website and can be accessed at https://www.vikrangroup.com/investors-relation/financials.

d. <u>INDEPENDENT DIRECTORS</u>

The Independent Directors have submitted the Declaration of Independence, stating that they continue to fulfil the criteria of independence as required pursuant to section 149 of the Companies Act, 2013.

The Board is of the opinion that the Independent Directors appointed during the year possess the requisite integrity, expertise, experience, and proficiency to effectively discharge their duties and contribute meaningfully to the Company's governance and decision-making and fulfil the conditions specified under the Companies Act, 2013.

19. AUDITORS:

(a) STATUTORY AUDITORS

In the Annual General Meeting for the F.Y 2023-24 held on 26th August, 2024, M/s. Walker Chandiok & Co LLP, Chartered Accountants (FRN-001076N/N500013) were re-appointed as the Statutory Auditors of the Company to hold office for a term of 5 (Five) years from the conclusion of the Annual General Meeting till the conclusion of the Annual General Meeting to be held for the financial year 2028-29.

The Auditors have furnished a certificate of their eligibility for re-appointment under Section 139(1) of the Companies Act, 2013 and have indicated their willingness to continue as Auditors till the conclusion of the Annual General Meeting of the Company to be held for the Financial Year ended 31st March 2029.

(b) EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATION OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORT.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors of the Company in their report except as mentioned below:

Please refer para 14(f) of Audit Report for F.Y. 2024-2025 i.e. "The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 14(b) above on reporting under section 143(3)(b) of the Act and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)".

(c) INTERNAL AUDITORS

M/s. Shetty & Shetty, Chartered Accountants, (FRN: 140140W), were appointed as an Internal Auditor for conducting Internal Audit of Company on 10th of May, 2021 for the period of 5 Years i.e. from the FY 2021-22 till the conclusion of FY 2025-26.

(d) SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time-to-time M/s. Geeta Canabar & Associates (M. No. 8702), Company Secretaries in practice, have been appointed to undertake the Secretarial Audit of the Company for the Financial Year 2024-25.

The Secretarial Audit Report for the financial year ended March 31, 2025 is annexed and marked as "**Annexure C"** to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

20. REPORTING OF FRAUD:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013. Further, no case of Fraud has been reported to the Management from any other sources.

21. COMMITTEES:

1. **AUDIT COMMITTEE:**

   The Company constituted Audit Committee in compliance with the requirements of the section 177 of Companies Act, 2013.

Composition:

Name of Directors	Nature of Directorship	Designation in Committee
Ms. Priti Paras Savla	Independent Director	Chairperson
Mr. Rakesh Kumar Sharma	Independent Director	Member
Mr. Nakul Markhedkar	Whole Time Director	Member

The attendance of members of the Audit Committee are as under:

Name of Directors	No. of Meetings attended	Total Meetings Held
Ms. Priti Paras Savla	1	1
Mr. Rakesh Kumar Sharma	1	1
Mr. Nakul Markhedkar	1	1

2. <u>NOMINATION AND REMUNERATION COMMITTEE:</u>

The Company constituted Nomination and Remuneration Committee in compliance with the requirements of the section 178 of Companies Act, 2013.

Composition:

Name of Directors	Nature of Directorship	Designation in Committee
Mr. Rakesh Kumar Sharma	Independent Director	Chairman
Ms. Priti Paras Savla	Independent Director	Member

Mr. Arun Bhagwan Unhale	Independent Director	Member

The attendance of members of the Nomination and Remuneration Committee are as under:

Name of Directors	No. of Meetings attended	Total Meetings Held
Mr. Rakesh Kumar Sharma	1	1
Ms. Priti Paras Savla	1	1
Mr. Arun Bhagwan Unhale	1	1

3. RISK MANAGEMENT COMMITTEE:

The Board of Directors decided to voluntarily constitute Risk Management Committee in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition:

Name of Directors	Nature of Directorship	Designation in Committee
Mr. Nakul Markhedkar	Whole Time Director	Chairman
Mr. Rakesh Ashok Markhedkar	Chairman and Managing Director	Member
Mr. Rakesh Kumar Sharma	Independent Director	Member

During the year under review no Risk Management Committee meeting was held.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has reconstituted its Corporate Social Responsibility Committee in accordance with section 135 of Companies Act, 2013. The Details of reconstituted Corporate Social Responsibility Committee are given herein below:

Composition:

Name of Directors	**Nature of Directorship**	**Designation in Committee**
Mr. Avinash Ashok Markhedkar	Whole Time Director	Chairman
Mr. Arun Bhagwan Unhale	Independent Director	Member
Mr. Rakesh Ashok Markhedkar	Chairman and Managing Director	Member

The attendance of members of the Corporate Social Responsibility Committee are as under:

Name of Directors	**No. of Meetings attended**	**Total Meetings Held**
Mr. Avinash Ashok Markhedkar	1	1
Mr. Rakesh Ashok Markhedkar	1	1
Mr. Arun Bhagwan Unhale	1	1

5. <u>STAKEHOLDER'S RELATIONSHIP COMMITTEE:</u>

The Company formulated Stakeholder's Relationship Committee pursuant to the provisions of Section 178 of the Companies Act, 2013.

Composition:

Name of Directors	**Nature of Directorship**	**Designation in Committee**
Mr. Arun Bhagwan Unhale	Independent Director	Chairman
Mr. Rakesh Ashok	Chairman and Managing	Member

Markhedkar	Director	
Mr. Nakul Markhedkar	Whole Time Director	Member

The attendance of members of the Stakeholder's Relationship Committee are as under:

Name of Directors	No. of Meetings attended	Total Meetings Held
Mr. Arun Bhagwan Unhale	1	1
Mr. Nakul Markhedkar	1	1
Mr. Rakesh Ashok Markhedkar	1	1

6. **<u>CORPORATE AFFAIRS COMMITTEE:</u>**

The Company formulated the Corporate Affairs Committee pursuant to provisions of section 179 and other applicable provisions of Companies Act, 2013.

Composition:

Name of Directors	Nature of Directorship	Designation in Committee
Mr. Rakesh Ashok Markhedkar	Chairman and Managing Director	Chairman
Mr. Avinash Ashok Markhedkar	Whole Time Director	Member
Mr. Nakul Markhedkar	Whole Time Director	Member

The attendance of members of the Corporate Affairs Committee are as under:

Name of Directors	No. of Meetings attended	Total Meetings Held
Mr. Rakesh Ashok Markhedkar	10	10
Mr. Avinash Ashok	10	10

Markhedkar		
Mr. Nakul Markhedkar	10	10

7. INITIAL PUBLIC OFFERING COMMITTEE:

The Company has formulated the Initial Public Offering Committee to undertake an initial public offer of the equity shares of the Company. The Details of Initial Public Offering Committee are given herein below:

Composition:

Name of Directors	Nature of Directorship	Designation in Committee
Mr. Rakesh Ashok Markhedkar	Chairman and Managing Director	Chairman
Mr. Avinash Ashok Markhedkar	Whole Time Director	Member
Mr. Arun Bhagwan Unhale	Independent Director	Member

The attendance of members of the Initial Public Offering Committee are as under:

Name of Directors	No. of Meetings attended	Total Meetings Held
Mr. Rakesh Ashok Markhedkar	1	1
Mr. Avinash Ashok Markhedkar	1	1
Mr. Arun Bhagwan Unhale	1	1

22. VIGIL MECHANISM/WHISTLE-BLOWER POLICY:

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company pursuant to the provisions of

Section 177 of the Companies Act, 2013, has framed "Vigil Mechanism" for Directors and employees of the Company for reporting the genuine concerns or grievances or cases of actual or suspected, fraud or violation of the Company's code of conduct and ethics policy.

The Whistle-blower Policy is available on the Company's website and can be accessed at https://www.vikrangroup.com/investors-relation/financials.

23. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION AND REDRESSAL) ACT, 2013:

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (POSH Act) and the Rules made thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. The Company has constituted Internal Complaints Committee(s) (ICCs) to redress and resolve any complaints arising under the POSH Act.

Particulars	**Cases**
No. of Sexual Harassment Complaints Received	Nil
No. of Complaints Disposed of	Nil
No. of Cases pending for more than 90 Days	Nil

24. MATERNITY BENEFITS AS PER MATERNITY BENEFIT ACT, 1961:

In compliance with the provisions of the Maternity Benefit Act, 1961 and the Rules framed thereunder, the Company has implemented a comprehensive Maternity Benefit Policy. This policy outlines employee entitlements related to maternity leave, salary, benefits, and other associated provisions and the Company has duly complied with the same during the period under review. The Company confirms that all eligible women employees received the required benefits, including paid leave, continued salary and service, and post-maternity support like nursing breaks and flexible work options.

25. PARTICULARS OF EMPLOYEES:

The information pertaining to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, pertaining to the names and other particulars of employees is available for inspection at the registered office of the Company during business hours and the Directors Report is being sent to the members excluding this. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary and Compliance Officer either at the Registered/ Corporate Office address or by email to companysecretary@vikrangroup.com.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

(a) Conservation of Energy

<table>
<tr><td>(i)</td><td>the steps taken or impact on conservation of energy</td><td rowspan="3">The Company has no activity relating to conservation of energy, details of which are required to be furnished in this report as per the provision of Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014. However, the Company is making every possible effort to conserve the use of power. No Capital investment was made during the year.</td></tr>
<tr><td>(ii)</td><td>the steps taken by the Company for utilizing alternate sources of energy</td></tr>
<tr><td>(iii)</td><td>the capital investment on energy conservation equipment</td></tr>
</table>

(b) Technology Absorption

<table>
<tr><td>(i)</td><td>the efforts made towards technology absorption</td><td rowspan="8">The Company has no activity which requires technology absorption, details of which are required to be furnished in this report as per the provision of Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014. No Import was made during the 3 (Three) Financial Year ended March 31, 2025. Further to note that, no expenditure was incurred on Research and Development.</td></tr>
<tr><td>(ii)</td><td>the benefits derived like product improvement, cost reduction, product development or import substitution</td></tr>
<tr><td rowspan="5">(iii)</td><td>in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-</td></tr>
<tr><td>(a) the details of technology imported</td></tr>
<tr><td>(b) the year of import</td></tr>
<tr><td>(c) whether the technology been fully absorbed</td></tr>
<tr><td>(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof</td></tr>
<tr><td>(iv)</td><td>the expenditure incurred on Research and Development</td></tr>
</table>

(c) FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no foreign exchange inflow & outflow during the financial year under review.

27. ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, Annual Return in MGT–7 for the FY 2024-25 can be accessed at our website - https://www.vikrangroup.com/investors-relation/financials#3

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE IF ANY:

No such significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future. However, an order dated 14th August, 2024, received from National Company Law Tribunal, Mumbai Bench, in accordance with the Scheme of Arrangement between Deb Suppliers & Traders Private Limited (First Transferor Company), Farista Financial Consultants Private Limited (Second Transferor Company) with Vikran Engineering Limited (Transferee Company) (formerly known as Vikran Engineering & Exim Private Limited) which does not impact the going concern status and Company's operations in future.

29. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

i. There has been no change in the nature of business of the Company.
ii. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
iii. The Company is not required to maintain Cost Records, as it does not fall within the purview of Section 148 of the Companies Act, 2013.
iv. There was no instance of one-time settlement with any Bank or Financial Institution.

30. <u>SECRETARIAL STANDARDS</u>

The Company has complied with the applicable provisions of Secretarial Standards, i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, issued by the Company Secretaries of India (ICSI).

31. <u>ACKNOWLEDGEMENTS AND APPRECIATION:</u>

Your Director's take this opportunity to thank the customers, shareholders, employees, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board
VIKRAN ENGINEERING PRIVATE LIMITED
(Formerly Known as Vikran Engineering & Exim Private Limited)

Sd/-	**Sd/-**
Rakesh Ashok Markhedkar	**Nakul Markhedkar**
Chairman & Managing Director	**Whole Time Director**
DIN: 07009284	**DIN: 07028044**

Place: Thane
Date: 18th August, 2025

Annexure A
Form AOC-2

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:**
(Rs in Lakhs)

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

2. **Details of contracts or arrangement or transactions at arm's length basis:**
(Rs in Lakhs)

Name(s) of the related party	Nature of Relationship	Nature of contracts/arrangement/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount
M/s. SEU India Performance Excellence LLP	Entities over which Directors/KMP have significant influence	Sub-contracting and other charges	Upto 31st March, 2025	Mutually Accepted Terms	-	85
Mrs. Kanchan Markhedkar	Wife of Chairman and Managing Director	Rent	Upto 31st March, 2025	Mutually Accepted Terms	-	7
Mrs. Kanchan Markhedkar	Wife of Chairman and Managing Director	Remuneration	Upto 31st March, 2025	Mutually Accepted Terms	-	264
Mr. Vipul Markhedkar	Son of Chairman and Managing Director	Remuneration	Upto 31st March, 2025	Mutually Accepted Terms	-	138

For and on behalf of the Board
VIKRAN ENGINEERING PRIVATE LIMITED
(Formerly Known as Vikran Engineering & Exim Private Limited)

Sd/-
Rakesh Ashok Markhedkar
Chairman & Managing Director
DIN: 07009284

Sd/-
Nakul Markhedkar
Whole Time Director
DIN: 07028044

Place: Thane
Date: 18th August, 2025

[Annexure -B]

Annual Report on CSR Activities to be Included in the Board's Report for Financial Year ending 31st March 2025.

1. **Brief outline on CSR Policy of the Company:**

   The Company had framed a CSR policy in compliance with the provision of the Companies Act, 2013 and covers CSR Philosophy, activities to be undertaken by the Group, scope and applicable resources, identification and approval process, implementation and monitoring etc.

2. **Composition of CSR Committee**:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Avinash Ashok Markhedkar	Chairman & Whole Time Director	1	1
2.	Mr. Rakesh Ashok Markhedkar	Managing Director & Member	1	1
3.	Mr. Arun Bhagwan Unhale	Independent Director & Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

   https://www.vikrangroup.com/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

   Not Applicable as the Company does not have an average CSR Obligation of Rs.10 Crores or more during the immediately 3 preceding financial years.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs)
1	**2023-24**	**81.53/-**	*Not Applicable*
2	**2022-23**	**471.63/-**	*Not Applicable*
3	**2021-22**	**2,936.01/-**	*Not Applicable*
	Total	**3,489.63/-**	*Not Applicable*

6. Average net profit of the company as per section 135(5): **Rs. 59,28,39,576/-**

7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 1,18,56,792/-**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ***Not Applicable***

(c) Amount required to be set off for the financial year, if any: ***Not Applicable***

(d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 1,18,56,792/-**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
2024-25	**Amount.**	**Date of transfer.**	**Name of the Fund**	**Amount.**	**Date of transfer.**
Rs.1,19,00,000 /-	*Not Applicable*				

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	*Not Applicable*											
2.												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR registration number.
1.	Social Welfare Project	(ii)	Yes	Maharashtra	Mumbai	26,00,000	No	Jeevan Jyoti Educational Society	CSR00068384
2.	Social Welfare Project	(ii)	No	West Bangal	Kolkata	93,00,000	No	Build a Class Initiative	CSR00032133
Total						**1,19,00,000**			

(d) Amount spent in Administrative Overheads: ***Not Applicable***

(e) Amount spent on Impact Assessment, if applicable: ***Not Applicable***

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 1,19,00,000/-**

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	**Rs. 1,18,56,792/-**
(ii)	Total amount spent for the Financial Year	**Rs. 1,19,00,000/-**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**Rs. 43,208/-**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**--**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**Rs. 43,208/-**

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	*Not Applicable*						
2.							
3.							
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**Project ID.**	**Name of the Project.**	**Financial Year in which the project was commenced.**	**Project duration.**	**Total amount allocated for the project (in Rs.).**	**Amount spent on the project in the reporting Financial Year (in Rs).**	**Cumulative amount spent at the end of reporting Financial Year. (in Rs.)**	**Status of the project - Completed /Ongoing.**
1	*Not Applicable*							
2								
3								
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: ***Not Applicable***

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): ***Not Applicable***

For and on behalf of Board of Directors
VIKRAN ENGINEERING LIMITED

(Formerly Known as Vikran Engineering & Exim Private Limited)

Sd/-	**Sd/-**
Rakesh Ashok Markhedkar	**Avinash Ashok Markhedkar**
Chairman & Managing Director	**Chairman of CSR Committee & Whole Time Director**
DIN: 07009284	**DIN: 03089201**

Place: Thane
Date:18th August 2025

Annexure - C (to the Director's Report)

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
VIKRAN ENGINEERING LIMITED
(Formerly Known as Vikran Engineering & Exim Private Limited)
401, Odyssey IT Park, Road No. 9,
Industrial Wagle Estate,
Thane-400604

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VIKRAN ENGINEERING LIMITED (Formerly Known as Vikran Engineering & Exim Private Limited)** (herein after called "**the Company**") having CIN **U93000MH2008PLC272209**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (***not applicable to the Company during the period under review except for proposed application for issue of equity shares and proposed listing thereof on stock exchange/s through IPO for which verification is done by Merchant Bankers and Legal Advisers to IPO***)

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

iv. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(*not applicable to the Company during the period under review*)**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (***Following sub-clauses (a) to (h) are not applicable to the Company during the period under review as Company is an Unlisted Public Company except for proposed application for issue of equity shares and proposed listing thereof on stock exchange/s through IPO for which verification is done by Merchant Bankers and Legal Advisers to IPO***)

    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

    d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

    e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

    f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

    g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and

    h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI);
2. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (***Not applicable to the Company during the period under review except for proposed application for issue of***

equity shares and proposed listing thereof on stock exchange/s through IPO for which verification is done by Merchant Bankers and Legal Advisers to IPO)

I further report that the Company has, in my opinion, complied with the provisions of other Laws applicable to the Company namely:

- The Electricity Act, 2003
- The Indian Electricity Rules, 1956
- Employees State Insurance Act, 1948
- Employees Provident Fund and Miscellaneous Provisions Act, 1952
- Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act 2013.
- The Maternity Benefits Act, 1961
- All other Labour, Employee and Industrial Laws to the Extent applicable to the Company.
- In case of Direct and Indirect Tax Laws like Income Tax Act, 1961, Goods and Services Tax Law, Excise & Custom Laws, I have relied on the Reports given by the Statutory Auditors of the Company.

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

I further report that: -

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

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the applicable provisions. Further, where the notice, agenda and notes to agenda were given at a shorter period of time for meetings schedule to transact the urgent business, the requirement of the secretarial standards were complied with and presence of atleast one Independent Director was ensured and a system exists for seeking and obtaining

   further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting

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

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

I further report that, during the period under review the Company has taken following actions and entered into following events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc;

1. Change in the Name of the Company and Conversion into Public Company

During the period under review, the name of the Company was changed from "Vikran Engineering & Exim Private Limited" to "Vikran Engineering Private Limited". Subsequently, the Company was converted into Public Company from "Vikran Engineering Private Limited" to "Vikran Engineering Limited".

2. Change in Authorised Share Capital

During the period under review, there were changes in the Authorised Share Capital Structure of the Company which are as follows:

4. The Authorised Share Capital of the Company has been sub-divided from Rs. 50,00,000/- (Rupees Fifty Lakhs Only) divided into 5,00,000 Equity Shares of Rs. 10/- each to Rs. 50,00,000/- (Rupees Fifty Lakhs Only) divided into 50,00,000 Equity Shares of Re. 1/- each via Special Resolution passed in the Extra Ordinary General Meeting of the Company on 12th August, 2024.

5. Pursuant to Scheme of Arrangement approved by the National Company Law Tribunal (NCLT), Mumbai Bench under Section 230-232 of the Companies Act, 2013 vide order dated 14th August, 2024, the Authorised Share Capital of the Company was increased from Rs. 50,00,000/-(Rupees Fifty Lakhs Only) divided into 50,00,000 Equity Shares of Re. 1/- each to Rs. 70,50,000/- (Rupees Seventy Lakhs Fifty Thousand Only) divided into 70,50,000 Equity Shares of Re. 1/- each.

6. The Authorised Share Capital of the Company was increased from Rs. 70,50,000 (Rupees Seventy Lakhs Fifty Thousand Only) divided into 70,50,000 Equity Shares of Re. 1/- each to Rs. 30,00,00,000/-(Rupees Thirty Crores Only), divided into 30,00,00,000 Equity Shares of Re. 1/- each via Ordinary Resolution passed in Extra Ordinary General Meeting of the Company on 12th August, 2024.

3. Change in the Issued, Subscribed and Paid-Up Share Capital of the Company

During the period under review, there were changes in the issued, subscribed and paid-up share capital of the Company which are as follows:

Sr. No.	Date of Allotment of Equity Shares	Type of allotment	No. of Equity Shares	Face Value	Premium	Amount in Rs.	Form of consideration
1	25th July, 2024	Private Placement	1860	10	37,637.32/-	Rs.7,00,24,015.20/-	Cash
2	26th July, 2024	Private Placement	3320	10	37637.32/-	Rs. 12,49,89,104/-	Cash
3	30th July, 2024	Private Placement	1,196	10	37637.32/-	Rs. 4,50,26,197/-	Cash
4	02nd August, 2024	Private Placement	5,843	10	37637.32/-	Rs. 21,99,73,296/-	Cash
5	03rd August, 2024	Private Placement	7,177	10	37637.32/-	Rs. 27,01,94,822/-	Cash
6	05th August, 2024	Private Placement	1,596	10	37637.32/-	Rs. 6,00,85,124/-	Cash
7	21st August, 2024	Private Placement	5,978	10	37637.32/-	Rs. 22,50,55,679/-	Cash
8	22nd August, 2024	Private Placement	664	10	37637.32/-	Rs. 2,49,97,820/-	Cash
9	24th August, 2024	Pursuant to Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal (NCLT)	28,96,780	1	Nil	Rs. 28,96,780/-	Other than Cash
10	30th August, 2024	Bonus Issue	17,99,81,500	1	Nil	Rs. 17,99,81,500/-	Other than Cash

4. **Adoption of new set of Memorandum of Association (MOA) and Articles of Association (AOA) of the Company**

In the Annual General Meeting held on 26th August, 2024, the Company adopted new set of Memorandum of Association (MOA) and Articles of Association (AOA) of the Company and subsequently adopted new Articles of Association of the Company in compliance with the listing requirements of the stock exchanges.

5. **Issue of Debentures on Private Placement basis:**

During the period under review, the Company has issued and allotted Secured, Rated, Redeemable, Unlisted, Non–Convertible Debentures aggregating to Rs. 50,00,00,000/ (Rupees Fifty Crores Only) on Private Placement Basis as detailed herein below;

Sr. No.	**Date of Allotment**	**Type of allotment**	**No. of Debentures**	**Face Value**	**Amount in Rs.**	**Form of consideration**
1.	23rd October, 2024	Private Placement	50	50,00,000/-	25,00,00,000/-	Cash
2.	10th January, 2025	Private Placement	50	50,00,000/-	25,00,00,000/-	Cash

6. **Change in Composition of Board of Directors and Key Managerial Personnel**

During the period under review, the following are the changes in the Composition of Board of Directors and Key Managerial Personnel:

- Ms. Kajal Sagar Rakholiya was appointed as Company Secretary & Compliance Officer w.e.f. 06th May, 2024.
- Mr. Avinash Ashok Markhedkar designation was changed to Whole Time Director w.e.f 17th June, 2024
- Mr. Nakul Markhedkar was regularised as Whole-Time Director w.e.f 17th June, 2024.
- Ms. Priti Paras Savla was appointed as an Additional Non- Executive Independent Director w.e.f. 24th September, 2024.
- Mr. Rakesh Kumar Sharma was appointed as an Additional Non- Executive Independent Director w.e.f. 24th September, 2024.
- Mr. Arun Bhagwan Unhale was appointed as an Additional Non- Executive Independent Director w.e.f. 24th September, 2024.

- Mr. Rakesh Ashok Markhedkar reappointed as Managing Director w.e.f 24th September, 2024.
- Mr. Avinash Ashok Markhedkar reappointed as Whole-Time Director w.e.f 24th September, 2024
- Mr. Nakul Markhedkar reappointed as Whole-Time Director w.e.f 24th September, 2024
- Ms. Priti Paras Savla was regularised as an Independent Director w.e.f. 25th September, 2024.
- Mr. Rakesh Kumar Sharma was regularised as an Independent Director w.e.f. 25th September, 2024.
- Mr. Arun Bhagwan Unhale was regularised as an Independent Director w.e.f. 25th September, 2024.

7. Constitution of Committee

During the period under review, the below Committees were formed and constituted in accordance with the requirements of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- Audit Committee
- Nomination And Remuneration Committee
- Risk Management Committee (voluntarily constituted)
- Stakeholder's Relationship Committee
- Corporate Affairs Committee
- Initial Public Offering Committee

8. Related Party Transaction- Holding Place of Profit

Mr. Vipul Markhedkar, son of Mr. Rakesh Ashok Markhedkar, Chairman and Managing Director of the Company and Mrs. Kanchan Markhedkar, wife of Mr. Rakesh Ashok Markhedkar, Chairman and Managing Director of the Company holds a place of profit under Section 188(1)(f) and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), on an arm's length basis and in the ordinary course of business. However, as the transaction limit exceeds the thresholds prescribed under the applicable rules, an ordinary resolution is required to be placed before the Members of the Company for their ratification and approval.

9. Initial Public Offer (IPO) of Equity Shares

During the period under review, the Company passed a resolution for issue of Initial Public Offer (IPO) of Equity Shares up to Rs. 500 crores ("Fresh Issue") (with an option to the Company to retain an over-subscription to the extent of 1% of the net Offer (defined below) size, or such other extent as may be permitted under the Applicable Laws and an offer for sale of up to such number of Equity Shares aggregating up to Rs. 50 Crores by existing and eligible shareholders of the Company (the "Selling Shareholders").

Subsequently, a resolution was passed for revision in limits of Initial Public Offer of Equity Shares from Rs. 500 Crores to up to Rs. 1400 crores ("Fresh Issue") (with an option to the Company to retain an over-subscription to the extent of 1% of the net Offer (defined below) size, or such other extent as may be permitted under the Applicable Laws.

10. Other Events having a major bearing on the Company's affairs

During the period under review the Company has;

- filed the Draft Red Herring Prospectus with The Securities and Exchange Board of India ("SEBI") on 30th September, 2024 with a view to be listed on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE").
- prepared the Financials as per Indian Accounting Standards (Ind AS) on account of issue of Initial Public Offering (IPO)
- adopted various policies to align with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- spent Rs. 1,19,00,000/- (Rupees One Crore Nineteen Lakhs Only) towards CSR activities.
- passed resolution for fixing the term of reference for the appointment of Mr. Rakesh Ashok Markhedkar as Chairman and Managing Director of the Company
- declared the final dividend of Rs. 10.50/- per Equity Shares of Face Value of Rs. 10/- each for the Financial Year ended March 31, 2024.

For Geeta Canabar& Associates
Company Secretaries
UIN: S2009MH114800
PR No: 2569/2022

Sd/-
Geeta Canabar
Proprietor
CP No. 8330
FCS No. 8702
UDIN: F008702G001021571

Place: Mumbai
Date: 18th August, 2025

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

ANNEXURE A

To,
The Members,
VIKRAN ENGINEERING LIMITED
(Formerly Known as Vikran Engineering & Exim Private Limited)
401, Odyssey IT Park, Road No. 9,
Industrial Wagle Estate,
Thane, 400604

My report is to be read along with this letter:

1) Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3) I have relied on report of Statutory Auditors, Tax auditors and Cost Auditors for compliances of the applicable Financial Laws including Direct and Indirect Tax Laws, Accounting Standards, the correctness and appropriateness of Financial Records, Cost Records and Books of Accounts of the Company since the same have been subject to review by respective Auditors and other designated professionals.

4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

7) The audit was conducted based on the verification of the Company's books, papers, minutes books, forms and returns filed, documents and other records furnished by them or obtained from the Company electronically and also the information provided by the Company and its officers by audio and/or visual means.

For Geeta Canabar& Associates
Company Secretaries
UIN: S2009MH114800
PR No: 2569/2022

Sd/-
Geeta Canabar
Proprietor

Place: Mumbai

Date: 18th August, 2025

CP No. 8330
FCS No. 8702
UDIN: F008702G001021571

Walker Chandiok & Co LLP
16th Floor, Tower III,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai - 400013
Maharashtra, India
T +91 22 6626 2699
F +91 22 6626 2601

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)** ('the Company'), which comprise the Balance Sheet as at **31 March 2025**, 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 2025, 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.

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Emphasis of Matter – Recoverability of Trade Receivables

4. We draw attention to Note 14.1 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 Board of 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 Board of 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.

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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;

    - 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.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

13. 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.

14. 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:

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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 14(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 2025 from being appointed as a director in terms of section 164(2) of the Act;

f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 14(b) above on reporting under section 143(3)(b) of the Act and paragraph 14(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 2025 and the operating effectiveness of such controls, refer to our separate report in **Annexure B** wherein we have expressed an 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 14.1 and Note 41 to the accompanying financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2025;

ii. The Company, as detailed in Note 25.1 to the accompanying financial statements, has made provision as at 31 March 2025, 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 2025;

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

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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. The final dividend paid by the Company during the year ended 31 March 2025 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.

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 2024, has used an accounting software which is operated by a third-party software service provider for maintaining its books of account which has a feature of recording audit trail facility and the same has been operated throughout the year for all relevant transactions recorded in the software at the application level. In 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 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 Organization), we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions or whether there were any instances of audit trail feature being tampered with at the database level. The audit trail has been preserved at the application level by the Company as per the statutory requirements for record retention. Further, due to absence of information in the Type 2 report, we are unable to comment on preservation of audit trail at the database level.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 25109632BMLCUG1133

Place: Mumbai
Date: 09 June 2025

Annexure A referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Vikran Engineering Limited (formerly, Vikran Engineering Private Limited) on the financial statements for the year ended 31 March 2025

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 and dispatch inventory records.

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(b) As disclosed in Note 20 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/ financial institutions	14,500	All the current assets of the Company	June 2024	Inventories	5,348	5,520	(172)
				Trade receivables (including contract assets net of contract liabilities)	65,502	65,473	29
			September 2024	Inventories	6,450	6,449	1
				Trade receivables (including contract assets net of contract liabilities)	68,240	68,240	-
			December 2024	Inventories	6,211	6,033	178
				Trade receivables (including contract assets net of contract liabilities)	78,943	83,586	(4,643)
			March 2025	Inventories	4,678	5,994	(1,316)
				Trade receivables (including contract assets net of contract liabilities)	105,591	107,461	(1,870)

(iii) (a) The Company has not provided any guarantee or any advances in the nature of loans or given any security to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. The Company has made investment in mutual funds scheme during the year. Further, the Company has granted loan to one (1) related party during the year, as per details given below:

Particulars	Loans (INR in Lakhs)
Aggregate amount granted during the year: - Others	189
Balance outstanding (including interest accrued) as at balance sheet date in respect of above case - Others	203

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b) In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of the loan provided are, prima facie, not prejudicial to the interest of the Company.

c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated wherein the principal and interest amounts are repayable on demand and since the repayment of such amounts has not been demanded, in our opinion, the repayment of principal and interest are regular.

d) There is no overdue amount in respect of loans granted to such party.

e) The Company has not granted any loan which, in view of our comments in para (c) above, has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans.

f) The Company has granted loans which are repayable on demand, as per details below:

Particulars	Related party (INR in lakhs)
Outstanding loan (including interest accrued thereon) as at 31 March 2025: - Repayable on demand	203
Percentage of loans to the total loan	**100 %**

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loan granted and investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security provided by it.

(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.

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(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	Income tax Appellate Tribunal
		3	0 *	AY 2017-18	Commissioner of Income tax (Appeals)
		6	Nil	AY 2018-19	Assistant Commissioner of Income tax
Goods & Service Tax Act, 2017	Goods and Service Tax	5,362	800	FY 2017-18	Commissioner (Appeals), Central Goods and Service Tax & Central Excise, Thane
		464	61	FY 2018-19 to FY 2020-21	Commissioner (Appeals), Central Goods and Service Tax & Central Excise, Indore
		166	15	FY 2019-20 & FY 2020-21	Joint Commissioner (Appeals), Central Goods and Service Tax & Central Excise, Patna

* 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, money raised by way of term loans were applied for the purposes for which these were obtained.

(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 [also refer note 2.1.(x)]. 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 18(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 sections 177 and 188 of the Act, where applicable. Further, 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.

(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) (a) 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 no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

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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 43 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: 25109632BMLCUG1133

Place: Mumbai
Date: 09 June 2025

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 Limited (formerly, Vikran Engineering Private Limited)** (the Company') as at and for the year ended **31 March 2025**, 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 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.

WALKER CHANDIOK & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS

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 2025, 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: 25109632BMLCUG1133

Place: Mumbai
Date: 09 June 2025

Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)
Balance Sheet as at 31 March 2025
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
a) Property, plant and equipment	4A	904	864
b) Investment properties	4B	207	207
c) Intangible assets	5	20	23
d) Right-of-use assets	6	150	95
e) Financial assets			
i) Other financial assets	9	2,069	2,567
f) Deferred tax assets (net)	10	1,524	876
g) Non current tax assets (net)	11	185	388
h) Other non-current assets	12	1,190	1,306
Total non-current assets		6,249	6,326
Current assets			
a) Inventories	13	5,994	5,073
b) Financial assets			
i) Investments	7	113	90
ii) Trade receivables	14	63,432	46,390
iii) Cash and cash equivalents	15	250	8
iv) Bank balances other than above	16	6,457	4,987
v) Loans	8	203	-
vi) Other financial assets	9	1,153	311
c) Contract assets	17	46,637	28,916
d) Other current assets	12	4,980	3,879
Total current assets		1,29,219	89,654
Total assets		1,35,468	95,980
Equity and Liabilities			
Equity			
a) Equity share capital	18	1,836	33
b) Other equity	19	44,951	29,096
Total equity		46,787	29,129
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	20	3,192	1,070
ii) Lease liabilities	21	80	38
b) Provisions	25	359	281
Total non-current liabilities		3,631	1,389
Current liabilities			
a) Financial liabilities			
i) Borrowings	20	24,102	17,269
ii) Lease liabilities	21	72	36
iii) Trade payables			
- Dues of micro and small enterprises	22	9,181	4,826
- Dues of trade payables other than micro and small enterprises		38,581	24,866
iv) Other financial liabilities	23	1,709	409
b) Other current liabilities	24	7,068	15,206
c) Provisions	25	738	1,059
d) Current tax liabilities (net)	26	3,599	1,791
Total current liabilities		85,050	65,462
Total liabilities		88,681	66,851
Total equity and liabilities		1,35,468	95,980

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 Chandiok & Co LLP
Chartered Accountants
Firm's Registration Number: 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No. : 109632

Place: Mumbai
Date: 09 June 2025

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Vikran Engineering Limited

Rakesh Markhedkar
Chairman & Managing Director
DIN : 07009284
Place: Thane
Date: 09 June 2025

Avinash Markhedkar
Director
DIN : 03089201
Place: Thane
Date: 09 June 2025

Ashish Bahety
Chief Financial Officer
Place: Thane
Date: 09 June 2025

Kajal Rakholiya
Company Secretary
Place: Thane
Date: 09 June 2025

VIKRAN ENGINEERING LIMITED

Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)
Statement of Profit and Loss for the year ended 31 March 2025
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	27	91,585	78,595
Other income	28	651	549
Total income		92,236	79,144
Expenses			
Cost of materials consumed	29	48,368	38,496
Project related expense	30	16,042	16,777
Employee benefits expense	31	6,763	5,896
Finance costs	32	5,358	3,397
Depreciation and amortisation expense	33	297	405
Other expenses	34	4,389	4,096
Total expenses		81,217	69,067
Profit before tax		11,019	10,077
Tax expense / (credit)			
Current tax	36	3,753	2,876
Tax pertaining to earlier years	36	78	-
Deferred tax	10	(593)	(284)
		3,238	2,592
Profit for the year (a)		7,781	7,485
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss:			
Remeasurement of post employment benefit obligations		(116)	(28)
Income-tax relating to items that will not be reclassified to statement of profit or loss	10	29	7
Total other comprehensive income/ (loss) for the year (net of tax) (b)		(87)	(21)
Total comprehensive income for the year (a+b)		7,694	7,464
Earnings per equity share (Face value of INR 1 each)	37		
Basic earnings per share (in INR)		4.35	4.92
Diluted earnings per share (in INR)		4.35	4.92

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 Chandiok & Co LLP
Chartered Accountants
Firm's Registration Number: 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: 09 June 2025

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Kajal Rakholiya
Company Secretary
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Date: 09 June 2025

VIKRAN ENGINEERING LIMITED

Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)
Statement of Cash Flows for the year ended 31 March 2025
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		**11,019**	**10,077**
Adjustments for:			
Balances written off/ (written back) (net)	28	(127)	(465)
Depreciation and amortisation expense	33	297	405
Finance costs on borrowings (including other borrowing costs) and leases	32	4,713	3,007
Interest attributable towards advance income tax	32	387	199
Interest income	28	(514)	(329)
Net gain on sale/ change in fair value of mutual fund investments	28	(7)	(10)
Gain on sale of property, plant and equipment (net)	28	0	-
Inventories written down	13	87	55
Allowance for expected credit loss on trade receivables	34	655	517
Loss allowance on contract assets	34	47	-
Operating profit before working capital changes		16,557	13,456
Changes in working capital:			
(Increase)/decrease in inventories	13	(1,008)	(1,563)
(Increase)/decrease in trade receivables	34	(17,697)	(9,917)
(Increase)/decrease in contract assets	17	(17,767)	(9,452)
(Increase)/decrease in other assets	9 & 12	(1,837)	(2,471)
Increase/(decrease) in trade payables	22	18,197	842
Increase/(decrease) in other liabilities	24	(6,847)	4,880
Increase/(decrease) in provisions	25	(243)	(513)
Cash generated from/ (used in) operations		(10,645)	(4,738)
Income taxes paid (net)	36(c)	(2,234)	(1,910)
Tax assets acquired pursuant to scheme of amalgamation (Refer note 55)	55	(28)	-
Net cash used in operating activities - [A]		(12,907)	(6,648)
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	(267)	(205)
Loan given during the year	8	(189)	-
Proceeds from sale of property, plant and equipment	4A, 4B & 5	1	-
Investment in mutual funds	7	(15)	-
Maturity/(increase) in fixed deposits (not considered as cash and cash equivalent)	16	(971)	(1,718)
Interest received	28	514	329
Net cash used in investing activities - [B]		(927)	(1,594)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares (including securities premium and net off expenses directly attributable to issue of equity shares)	18	10,274	8,150
Principal paid on lease liabilities	21	(77)	(95)
Interest paid on lease liabilities	21	(11)	(9)
Proceeds from long term borrowings	20	5,120	348
Repayment of long term borrowings	20	(908)	(1,935)
Proceeds from short term borrowings	20	6,577	5,794
Repayment of short term borrowings	20	(1,834)	(625)
Dividend paid	45	(378)	(392)
Finance costs on borrowings paid	32	(4,702)	(2,998)
Net cash generated from financing activities - [C]		14,061	8,238
Net (decrease)/ increase in cash and cash equivalents - [A+B+C]		227	(4)
Cash and cash equivalents at the beginning of the year		8	12
Cash and cash equivalents acquired pursuant to scheme of amalgamation (Refer note 55)	55	15	-
Cash and cash equivalents at the end of the year (Refer note 15)	15	250	8
Non-cash financing activity : Conversion of borrowings into equity	19	-	794
Non-cash financing activity : Issue of bonus shares	18	1,800	-
Non-cash investing activity : Acquisition of right-of-use assets	6	176	-
Non-cash investing activity : Deletion of right-of-use assets	6	224	-

Notes:
1) Figures in brackets represents outflow of cash and cash equivalents.
2) 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".
3) Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in Note 20 to the financial statements.

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 Chandiok & Co LLP
Chartered Accountants
Firm's Registration Number: 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No. : 109632

Place: Mumbai
Date: 09 June 2025

For and on behalf of the Board of Directors
Vikran Engineering Limited

Rakesh Markhedkar
Chairman & Managing Director
DIN : 07009284
Place: Thane
Date: 09 June 2025

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DIN : 03089201
Place: Thane
Date: 09 June 2025

Ashish Bahety
Chief Financial Officer
Place: Thane
Date: 09 June 2025

Kajal Rakholiya
Company Secretary
Place: Thane
Date: 09 June 2025

Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)
Statement of Changes in Equity for the year ended 31 March 2025
(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			
As at 01 April 2023 (Equity shares of INR 10 each)	18	2,90,378	29
Increase/ (decrease) during the year		41,651	4
As at 31 March 2024 (Equity shares of INR 10 each)	18	3,32,029	33
Increase/ (decrease) during the year		18,32,49,101	1,803
As at 31 March 2025 (Equity shares of INR 1 each)	18	18,35,81,130	1,836

B. Other equity

	Reserves and surplus			
Particulars	Securities premium	Retained earnings	Debenture Redemption Reserve	Total
As at 01 April 2023	1,374	11,710	-	13,084
Profit for the year	-	7,485	-	7,485
Dividend paid during the year (Refer note 45)	-	(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
Profit for the year	-	7,781	-	7,781
Dividend paid during the year (Refer note 45)	-	(378)	-	(378)
Securities premium on equity shares issued during the year	10,401	-	-	10,401
Issue of bonus shares during the year	(1,800)	-	-	(1,800)
Expenses directly attributable to issue of equity shares	(130)	-	-	(130)
Tax impact on expenses directly attributable to issue of equity shares	26	-	-	26
Adjustment on account of scheme of amalgamation (Refer note 55)	-	42	-	42
Other comprehensive income / (loss) (net of tax)	-	(87)	-	(87)
Transferred to debenture redemption reserve	-	(500)	500	-
Balance as at 31 March 2025	18,811	25,640	500	44,951

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.

iii) Debenture Redemption Reserve (DRR)
The Company has issued redeemable non-convertible debentures and accordingly DRR is created pursuant to the Companies (Share Capital and Debentures) Rules, 2014 (as amended). DRR is required to be created, out of profits of the Company available for payment of dividend, upto an amount which is equal to 10% of the total value of the debentures issued.

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 Chandiok & Co LLP
Chartered Accountants
Firm's Registration Number: 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: 09 June 2025

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MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
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DIN : 07009284
Place: Thane
Date: 09 June 2025

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VIKRAN ENGINEERING LIMITED

Ashish Bahety
Chief Financial Officer
Place: Thane
Date: 09 June 2025

Kajal Rakholiya
Company Secretary
Place: Thane
Date: 09 June 2025

Corporate Information

Vikran Engineering Limited (formerly, Vikran Engineering Private Limited) (the "Company" or "Vikran" or "VEL") is a Company domiciled in India. The Company having CIN U9300MH2008PLC272209, is an Engineering, Procurement and Construction (EPC) Company. It provides end-to-end services from conceptualisation, design, supply, installation, testing and commissioning on a turnkey basis and has presence across multiple sectors including power, water, and railway infrastructure. The registered office of the Company is located at 401, Odyssey IT Park, Road No. 9, Wagle Industrial 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. Post that, with effect from 20 September 2024, the name of the Company has been changed from Vikran Engineering Private Limited to Vikran Engineering Limited and accordingly, the Company has become a public limited company with effect from such date.

The financial statements for the year ended 31 March 2025 were approved by the Board of Directors of the Company on 09 June 2025.

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 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. 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.

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

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VIKRAN ENGINEERING LIMITED ★

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 there is no uncertainty regarding non-acceptance of such variation/ claims by the customer.

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.

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 proportion basis, by reference to the amount outstanding and at the effective interest rate applicable.

Income other than the above 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 and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

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, borrowing cost if capitalization criteria are met 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 period end and adjusted prospectively, if appropriate.

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised and measured as per the previous GAAP and had used 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 Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. Subsequent to initial recognition, investment properties are measured at cost less any accumulated impairment losses.

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VIKRAN ENGINEERING LIMITED

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its investment properties, recognised and measured as per the previous GAAP and had used 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 had elected to continue with the carrying value of all of intangible assets recognised and measured as per the previous GAAP and had used 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 and 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 are recognised in the Statement of profit and loss.

j) Leases

The Company assesses at contract inception or on reassessment of a contract whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

At the commencement date of a lease or on reassessment of a contract that contains a lease component, 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-

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VIKRAN ENGINEERING LIMITED *

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 end 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 and Equity 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)

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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 and loan assets

• Trade receivables

• Other financial assets not designated as FVTPL

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.

For recognition of impairment loss on financial assets other than trade receivables, 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.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables as well as contract assets. 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.

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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.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of expenses directly attributable to issue of such equity.

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.

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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 based on corrective actions 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 such 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, labour welfare 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:
(a) Gratuity: The Company's liability towards gratuity is based on the actuarial valuation 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 reporting 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.

(b) Compensated absences: The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period end. The Company presents the entire compensated absences provision as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss (excluding OCI) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue and share splits that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit for the period as adjusted for dividend, interest and other changes to expense and income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

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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 identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance of the Company. The Managing Director and Whole Time Directors are identified as CODM of the Company The CODM regularly monitors and reviews the operating result 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.

s) Debenture Redemption Reserve (DRR)

The Company creates DRR in accordance with the applicable provisions of the Companies Act, 2013, out of profits of the Company available for payment of dividend.

t) Initial Public Offer (IPO) related transaction costs

The expenses pertaining to IPO includes expenses pertaining to fresh issue of equity shares, offer for sale by selling shareholders and listing of equity shares and is accounted for as follows:

- Incremental costs that are directly attributable to issuing new shares are deferred until successful consummation of IPO upon which it shall be deducted from equity;
- Incremental costs that are not directly attributable to issuing new shares or offer for sale by selling shareholders, are recorded as an expense in the statement of profit and loss as and when incurred; and
- Costs that relate to fresh issue of equity shares and offer for sale by selling shareholders are allocated between those functions on a rational and consistent basis as per agreed terms.

u) Share issue expenses

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Act, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in 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. 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.

Information about significant areas of estimation and assumptions/ uncertainty and judgements in applying accounting policies are as follows:

(i) Deferred tax assets

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. 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 in the year in which such changes are determined.

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(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

The measurement of ECL reflects a probability-weighted outcome, the time value of money and the best available forward-looking information. The correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The amount of expected credit loss is sensitive to changes in circumstances and forecasted economic conditions. The Company's historical credit loss experience and forecast of economic conditions may not be representative of the actual default in the future.

(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 reporting 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.

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Accordingly, as at reporting periods, the Company has included the results and transactions of such arrangements in its 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 incremental borrowing rate. The Company revises the lease term if there is a change in non-cancellable period of a lease.

(xii) Business combination

Management applies judgement in determining whether an acquisition/ merger constitute a business combination or not. In applying judgement, the Company determines whether the acquisition/ merger constitute inputs and when processes are applied to those inputs, it should have the ability to contribute to the creation of outputs. In case such criteria is not met, the acquisition/ merger is not considered as business combination.

3) Recent accounting pronouncements

- **Standards notified but not yet effective**

  The Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on the date of release of these financial statements, MCA has notified an amendment to Ind AS 21 regarding lack of exchangeability between currencies, which is applicable for reporting period beginning on or after 01 April 2025. Such amendment to existing standard has not been adopted early by the Company.

- **New and amended standards notified by Ministry of Corporate Affairs ('MCA')**

  Amendments to Ind AS 116 - The amendment to Ind AS 116 addresses the measurement of lease liabilities in sale and leaseback transactions, ensuring that seller-lessees do not recognize any gain or loss related to the retained right-of-use asset.

  Ind AS 117 - Ind AS 117 shall be applicable to entities having (a) insurance contracts, including reinsurance contracts, it issues; (b) reinsurance contracts it holds; and (c) investment contracts with discretionary participation features it issues, provided the entity also issues insurance contracts.

  MCA has also notified the Companies (Indian Accounting Standards) Third Amendment Rules, 2024, to provide relief to the insurers or insurance companies. Additionally, Ind AS 104 has been reissued for use by the insurers or insurance companies.

  The above new and amended standards had no impact on the Company's financial statements.

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Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2025
(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 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
Additions	-	-	18	2	2	24	29	2	146	28	251
Disposals	-	-	-	-	-	-	-	-	(1)	-	(1)
As at 31 March 2025	73	279	92	145	99	276	490	152	279	78	1,963
Accumulated depreciation											
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	-	36	54	29	53	178	316	75	83	25	849
Depreciation charge for the year	-	4	19	9	9	33	90	14	22	10	210
Reversal on disposals	-	-	-	-	-	-	-	-	0	-	0
As at 31 March 2025	-	40	73	38	62	211	406	89	105	35	1,059
Net carrying amount											
As at 31 March 2024	73	243	20	114	44	74	145	75	51	25	864
As at 31 March 2025	73	239	19	107	37	65	84	63	174	43	904

Notes:
i) 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.
ii) Refer note 20 for the assets forming part of property, plant and equipment which are offered as security/ charge for the borrowings availed by the Company.

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Note 4B: Investment properties

Particulars	Amount
Gross carrying amount	
Balance as at 31 March 2023	207
Additions during the year	-
Balance as at 31 March 2024	207
Additions during the year	-
Balance as at 31 March 2025	**207**
Accumulated depreciation	
Balance as at 31 March 2023	-
Depreciation charge for the year	-
Balance as at 31 March 2024	-
Depreciation charge for the year	-
Balance as at 31 March 2025	-
Net carrying amount:	
As at 31 March 2024	**207**
As at 31 March 2025	**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) The title deeds of the investment properties are held in the name of the Company as at the balance sheet dates.

iii) The Company has not earned any income from its investment properties during the reporting years.

iv) As at 31 March 2025 and 31 March 2024, the fair values of the properties are INR 2,696 lakhs and INR 2,696 lakhs respectively. The valuation is based on valuation performed by an independent valuer registered in terms of the Act. Such independent valuer has considered the circle rate issued by the local authority for determining the fair value. Circle rates are primarily dependent on factors such as location, zoning, market trends, infrastructure, and other amenities available in the area.

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Note 5: Intangible Assets

Particulars	Computer software	Total
Gross carrying amount		
As at 31 March 2023	**253**	**253**
Additions during the year	4	4
Disposals during the year	-	-
As at 31 March 2024	**257**	**257**
Additions during the year	7	7
As at 31 March 2025	**264**	**264**
Accumulated amortisation		
As at 31 March 2023	**158**	**158**
Amortisation charge for the year	76	76
Reversal on disposals	-	-
As at 31 March 2024	**234**	**234**
Amortisation charge for the year	10	10
As at 31 March 2025	**244**	**244**
Net carrying amount		
As at 31 March 2024	23	23
As at 31 March 2025	20	**20**

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

Particulars	Leased premises	Total
Gross carrying amount		
As at 31 March 2023	295	295
Additions during the year	-	-
Disposals during the year	-	-
As at 31 March 2024	295	295
Additions during the year	176	176
Disposals during the year	(224)	(224)
As at 31 March 2025	247	247
Accumulated depreciation		
As at 31 March 2023	114	114
Depreciation charge for the year	86	86
Reversal on disposals	-	-
As at 31 March 2024	200	200
Depreciation charge for the year	77	77
Reversal on disposals	(180)	(180)
As at 31 March 2025	97	97
Net carrying amount		
As at 31 March 2024	95	95
As at 31 March 2025	150	150

Note:

(i) Refer note 39 for disclosure on leased asset.

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Notes to the financial statements as at and for the year ended 31 March 2025
(All amounts in INR lakhs, unless otherwise stated)

Note 7: Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
- Units of mutual funds*	113	90
Total	**113**	**90**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	113	90
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	113	90

* Includes INR 109 lakhs (31 March 2024 : INR 87 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.

Note 8: Loans

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good		
Loan to a related party* (Refer note 42)	203	-
	203	**-**
Sub-classification of loans:		
Loans considered good - secured	-	-
Loans considered good - unsecured	203	-
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**203**	**-**

* Loan to a related party includes INR 203 lakhs (31 March 2024 : Nil) given to an entity in which one of the directors is a director.

Note: Information required under section 186(4) to the Act
(a) Loan to a related party carries an interest rate of 18.00% p.a. The same has been given towards general corporate and working capital purposes and it is repayable on demand.

Note 9: Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current (Unsecured, considered good)		
Bank deposits having remaining maturity of more than 12 months*	2,069	2,567
	2,069	**2,567**
Current (Unsecured, considered good)		
Security deposits**	638	70
Earnest money deposits (EMD)**	369	172
Receivable from promoter selling shareholder $$	57	-
Other receivables***	89	69
	1,153	**311**

* For details of fixed deposits held as security, refer note 16.

** Security deposits and EMD's are interest free non-derivative financial assets carried at amortised cost. These primarily includes deposits given against rented premises, tender bidding and towards certain borrowings availed by the Company.

$$ Represents expense recoverable from the promoter selling shareholder, which has been incurred by the Company towards proposed Initial Public Offering (IPO) of the equity shares of the Company. The same is recoverable in the proportion of offer for sale to total issue size.

*** Primarily includes reimbursements receivable from customers towards amount paid for crop compensation and claim receivable from an insurance company against theft.

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(All amounts in INR lakhs, unless otherwise stated)

Note 10: Deferred tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities arising on account of :		
Temporary differences between right of use assets and lease liability	1	5
	1	5
Deferred tax assets arising on account of		
Expense allowable on payment basis	998	586
Impact of items allowed under the Income Tax Act, 1961 on a propotionate basis	41	-
Expected credit loss	452	275
Temporary differences between book and tax balance of property, plant and equipment	34	20
	1,525	881
Net deferred tax assets	1,524	876

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 2024 to 31 March 2025

Particulars	Opening balance as at 01 April 2024	(Charged) / credited to P&L	(Charged) / credited to OCI	(Charged) / credited to other equity	Closing balance as at 31 March 2025
Deferred tax liablity arising on account of					
Temporary differences between right of use assets and lease liability	5	4	-	-	1
	5	4	-	-	1
Deferred tax asset arising on account of					
Expense allowable on payment basis	586	383	29	-	998
Impact of items allowed under the Income Tax Act, 1961 on a propotionate basis	-	15	-	26	41
Expected credit loss	275	177	-	-	452
On timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	20	14	-	-	34
	881	589	29	26	1,525
Deferred tax assets (net)	886	593	29	26	1,524

(b) 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	(Charged) / credited to other equity	Closing balance as at 31 March 2024
Deferred tax liabilities 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 assets 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

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Note 11: Non-current tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income tax (net)	185	388
	185	388

Note: The above amounts are net off provisions - 31 March 2025: INR 5,411 lakhs and 31 March 2024: INR 3,091 lakhs.

Note 12: Other assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non - current:		
Prepaid expenses	314	506
Balances with government authorities (net)^	876	800
	1,190	1,306
Current:		
Advances to employees (Unsecured, considered good)	356	241
Prepaid expenses	464	544
Share issue expenses*	438	-
Advances to suppliers and sub-contractors (Unsecured, considered good) (Refer note 42)	1,193	1,713
Balances with government authorities (net)	2,529	1,381
	4,980	3,879

^ Represents amount paid under protest towards disputed demands of indirect taxes.

* Pertains to expenses incurred by the Company towards proposed Initial Public Offering (IPO) of the equity shares of the Company carried forward to the extent of Company's share, which will be adjusted with securities premium at the time of issue of shares in accordance with the requirement of Section 52 of the Act.

Note 13: Inventories (valued at lower of cost and net realisable value)

Particulars	As at 31 March 2025	As at 31 March 2024
Construction materials	5,804	4,822
Stores and spare parts	190	164
Goods in transit	-	87
	5,994	5,073

Note: Inventories provided/written off during the year ended 31 March 2025: INR 87 lakhs and 31 March 2024: INR 55 lakhs. These amounts are recognised as an expense in the statement of profit and loss.

Note 14: Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured:		
Considered good:		
- Receivable from related party (Refer note 42)	148	166
- Others (Refer note 14.1)	63,284	46,224
Credit impaired	1,745	1,090
	65,177	47,480
Less: Expected credit loss allowance (Refer note 14.2)	(1,745)	(1,090)
Total	63,432	46,390
Sub-classification of trade receivables		
Considered good - secured	-	-
Considered good - unsecured	63,432	46,390
Significant increase in credit risk	-	-
Credit impaired	1,745	1,090
Less: Expected credit loss allowance	(1,745)	(1,090)
	63,432	46,390

Notes:

(a) Trade receivables includes an amount of INR 148 lakhs (31 March 2024 : INR 166 lakhs) from a entity in which one of the directors is a partner.

(b) Trade receivables includes retention money amounting to INR 16,545 lakhs (31 March 2024 : INR 11,063 lakhs).

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Note 14.1: Trade receivables as at 31 March 2025 includes amount from a customer amounting to INR 2,929 lakhs (31 March 2024 : INR 2,929 lakhs). The said customer invoked the performance and advance 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 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 for recovery as at the reporting date, and also no liability is likely to arise for the Company on the aforesaid matter and accordingly, no adjustments have been made to the financial statements in this respect.

Note 14.2: Movement in expected credit loss allowance :

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	1,090	572
Add: Allowance made during the year	655	517
Less: Reversal of allowance/ amounts written back	-	-
Balance at the end of the year	**1,745**	**1,090**

Trade receivables ageing (excluding expected credit loss allowance)

As at 31 March 2025

Particulars	Not Due	Outstanding for following years 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	50,484	6,564	2,228	684	346	197	**60,503**
(ii) Undisputed trade receivables - credit impaired	51	131	203	228	346	786	**1,745**
(iii) Disputed trade receivables - considered good	-	-	-	-	2,929	-	**2,929**
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	**-**
Total	**50,535**	**6,695**	**2,431**	**912**	**3,621**	**983**	**65,177**

As at 31 March 2024

Particulars	Not Due	Outstanding for following years 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**

Note 15: Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks in current accounts	51	1
In deposits account with original maturity of less than 3 months	191	-
Cash on hand	8	7
Total	**250**	**8**

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

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Note 16: Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
In deposits accounts	6,457	4,987
Total	**6,457**	**4,987**

Fixed deposits (current and non-current) held as margin money or security against borrowings and other commitments.	8,088	7,555

*held as margin money with Central Excise for duty free imports

Refer note 36 for information on credit risk of bank deposits.

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

Note 17: Contract assets (unbilled work in progress)

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good		
Contract assets (unbilled work in progress)	46,684	28,916
Less: loss allowance	(47)	-
Total	**46,637**	**28,916**

Note 17.1: Refe note 50 for additional details in relation to contract assets.

Note 17.2 Movement in loss allowance on contract assets:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	-	-
Add: Allowance made during the year	47	-
Less: Reversal of allowance/ amounts written back	-	-
Balance at the end of the year	**47**	**-**

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Note 18: Equity share capital

Authorised share capital:

Particulars	Number	Amount
Balance as at 01 April 2023 (Equity shares of face value INR 10 each)	5,00,000	50
Change during the year	-	-
Balance as at 31 March 2024 (Equity shares of face value INR 10 each)	5,00,000	50
Change during the year on account of sub-division of shares (refer note (g) below)	45,00,000	-
Increase in authorised share capital (refer note (i) below)	29,50,00,000	2,950
Balance as at 31 March 2025 (Equity shares of face value INR 1 each)	**30,00,00,000**	**3,000**

Issued, subscribed and fully paid-up:

Particulars	Number	Amount
Balance as at 01 April 2023 (Equity shares of face value INR 10 each)	2,90,378	29
Movement during the year (Refer note below)	41,651	4
Balance as at 31 March 2024 (Equity shares of face value INR 10 each)	3,32,029	33
Movement during the year (Refer note below)	18,32,49,101	1,803
Balance as at 31 March 2025 (Equity shares of face value INR 1 each)	**18,35,81,130**	**1,836**

Note: Details of movement in equity shares during the year:

During the year ended 31 March 2025 :

S. No.	Particulars	Number	Face value at the date of issue (in INR)	Securities premium (in INR)	Total amount (excluding securities premium)	Total amount (including securities premium)
i.	Shares issued during the year for consideration in cash	27,634	10.00	37,637.32	3	10,404
ii.	Issue of shares on account of sub-division of shares (refer note (g) below)	32,36,967	1.00			
iii.	Reduction of existing shares of the Company as per the scheme of amalgamation (refer note (h) below)	(28,93,780)	1.00	-	(29)	(29)
iv	Issue of new equity shares of the Company to the shareholders as per the scheme of amalgamation (refer note (h) below)	28,96,780	1.00	-	29	29
v.	Issue of bonus shares (refer note [e(ii)] below)	17,99,81,500	1.00	-	1,800	1,800
	Total	18,32,49,101			1,803	12,204

During the year ended 31 March 2024 :

S. No.	Particulars	Number	Face value at the date of issue (in INR)	Securities premium (in INR)	Total amount (excluding securities premium)	Total amount (including securities premium)
i.	Shares issued during the year*	41,651	10.00	21,465.11	4	8,944

* Includes 3,700 equity shares issued to Vikran Global Infraprojects 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 1 per share as on 31 March 2025. 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 2025		As at 31 March 2024	
	Number (Face value of INR 1 each)	% of holding	Number (Face value of INR 10 each)	% of holding
Rakesh Markhedkar	10,83,57,150	59.02%	-	-
Kanchan Markhedkar	1,32,96,210	7.24%	-	-
Nakul Markhedkar	1,32,96,210	7.24%	-	-
Vipul Markhedkar	1,32,96,210	7.24%	-	-
India Inflection Opportunity Trust – India Inflection Opportunity Fund	1,06,87,050	5.82%	20,955	6.31%
Deb Suppliers & Traders Private Limited	-	-	1,44,948	43.66%
Farista Financial Consultants Private Limited	-	-	1,44,430	43.50%

The above information is furnished as per the shareholders register as at 31 March 2025 and 31 March 2024 respectively.

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c) **Details of equity shares held by promoters**

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares (Face value of INR 1 each)	% of holding	Number of shares (Face value of INR 10 each)	% of holding
Rakesh Markhedkar (refer note (h) below)	10,83,57,150	59.02%	1,000	0.30%
Avinash Markhedkar*	-	-	-	-
Nakul Markhedkar*	1,32,96,210	7.24%	-	-
Deb Suppliers & Traders Private Limited	-	-	1,44,948	43.66%
Farista Financial Consultants Private Limited	-	-	1,44,430	43.50%

d) **% change in promoters shareholding**

Particulars	% change during the year ended 31 March 2025 ^	% change during the year ended 31 March 2024 **
Deb Suppliers & Traders Private Limited	-43.66%	-6.26%
Farista Financial Consultants Private Limited	-43.50%	-6.24%
Nakul Markhedkar*	7.24%	-
Rakesh Markhedkar^	58.72%	-0.04%

* During the current year, the Board of Directors of the Company in their meeting held on 24 September 2024 have designated Mr. Avinash Markhedkar and Mr. Nakul Markhedkar as additional promoters of the Company. Also refer note (h) below.

** Percentage change during the year ended 31 March 2024 was on account of additional equity shares issued by the Company during that year, however there was no change in the number of equity shares held by the promoters.

^ Refer note (h) below.

e) **Bonus shares / buy back / shares for consideration other than cash issued during past five years:**
(i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash:

For the year ended 31 March 2025 : The Company has allotted 3,000 equity shares pursuant to approval of scheme of amalgamation of the Company with it's erstwhile promoters. Also refer note 55.
For the year ended 31 March 2024 : 3,700 shares alloted to Vikran Global Infraproject Private Limited upon conversion of loan into equity shares during the year ended 31 March 2024.

(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares -

For the year ended 31 March 2025 : The Company, in its annual general meeting dated 26 August 2024 approved the issuance of bonus shares to the equity shareholders in the ratio of 50 equity shares for each share held. The record date for the said purpose was fixed as 23 August 2024.
For the year ended 31 March 2024 : Nil

(iii) Aggregate number and class of shares bought back - Nil for the reporting periods.

f) The Company has made private placement of equity shares during the year ended 31 March 2025. 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.

g) Pursuant to a resolution passed in extraordinary general meeting of the Company dated 12 August 2024, shareholders have approved sub-division of each equity share having face value of INR 10 each into equity shares of face value of INR 1 each.

h) During the current year, pursuant to approval by National Company Law Tribunal (NCLT) of the scheme of amalgamation of the Company with Farista Financial Consultants Private Limited and Deb suppliers and Traders Private Limited (collectively referrred to as 'erstwhile promoters'), these erstwhile promoters have been amalgamated with the Company and the shares held by these two entities have been reduced from the share capital of the Company and in-turn new shares of the Company have been issued to the shareholders of erstwhile promoters which included Mr. Rakesh Markhedkar. Also refer note 55.

i) During the current year, the Company has increased the authorised share capital from existing 5,000,000 equity shares to 300,000,000 equity shares of INR 1 each, which was approved by the shareholders in the extraordinary general meeting held on 12 August 2024.

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Note 19: Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium	18,811	10,314
Retained earnings	25,640	18,782
Debenture redemption reserve	500	-
Total	**44,951**	**29,096**

(i) Securities premium

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	10,314	1,374
Securities premium on equity shares issued during the year	10,401	8,940
Issue of bonus shares during the year	(1,800)	-
Expenses directly attributable to issue of equity shares	(130)	-
Tax impact on expenses directly attributable to issue of equity shares	26	-
Balance at the end of the year	**18,811**	**10,314**

(ii) Retained earnings

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	**18,782**	**11,710**
Profit for the year	7,781	7,485
Dividend paid during the year (Refer note 45)	(378)	(392)
Items of other comprehensive income/(loss) recognised in retained earnings (net of tax)	(87)	(21)
Adjustment on account of scheme of amalgamation (Refer note 55)	42	-
Transferred to Debenture Redemption Reserve	(500)	-
Balance at the end of the year	**25,640**	**18,782**

(iii) Debenture Redemption Reserve

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	-	-
Transferred from retained earnings	500	-
Balance at the end of the year	**500**	-

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Note 20: Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current - at amortised cost		
Secured		
Term loans		
- from banks	990	1,529
Less: Current maturities of long-term borrowings	(418)	(552)
	572	**977**
Vehicle loans		
- from banks	116	5
Less: Current maturities of long-term borrowings	(22)	(3)
	94	**2**
Non-convertible debentures (NCD)		
100 units of redeemable NCD's of face value of INR 50,00,000 each	5,000	-
Less: Current maturities of long-term borrowings	(2,500)	-
	2,500	**-**
Unsecured		
Working capital loans		
- from banks	26	171
- from financial institution	67	282
Less: Current maturities of long-term borrowings	(67)	(362)
	26	**91**
	3,192	**1,070**
Current - at amortised cost		
Secured		
Current maturities of long-term borrowings	2,940	555
Cash credit facilities	13,015	11,697
Working capital loans:		
- from financial institution	2,750	-
Supplier bills discounted		
- from financial institution	4,742	3,737
	23,447	**15,989**
Unsecured		
Current maturities of long-term borrowings	67	362
Working capital loans:		
- from banks	-	39
- from financial institution	575	818
Supplier bills discounted		
- from financial institution	13	61
	655	**1,280**
	24,102	**17,269**

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 7.95% p.a. to 9.60% 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. Post merger of the aforesaid two Promoter entities with the Company, the corporate guarantees have ceased to exist during the current year.

2) Vehicle loan from banks:

(i) Vehicle loan from banks amounting INR 114 lakhs (31 March 2024 : Nil) carries fixed interest rate of 10.50% p.a. and is repayable in 60 monthly instalments along with interest upto FY 2029-2030. 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 banks amounting INR 2 lakhs (31 March 2024 : INR 5 lakhs) carries variable interest rate of 10.45% 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.

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3) Cash credit facilities

Cash credit facilities are repayable on demand carrying variable interest rate ranging from 9.25% p.a. to 12.77% 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. Post merger of the aforesaid two Promoter entities with the Company, the corporate guarantees have ceased to exist during the current year.

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 9.00% p.a. to 34.00% p.a. and is repayable in 10 to 36 monthly instalments along with interest.

6) Non-convertible debentures:
The Company has issued 2 tranches of 50 units each of redeemable non-convertible debentures of face value of INR 50 lakhs each on a private placement basis. These debentures carries fixed interest rate of 12.00% p.a and are redemable at par on maturity on 23 January 2026 (Tranche - 1) and on 10 April 2026 (Tranche - 2). These debentures have been issued for fulfilling the working capital requirements of the Company and other general corporate purposes.
These are secured by way of:
(i) Residual/subservient charge on current assets of the Company.
(ii) Personal guarantee of Mr. Rakesh Markhedkar (Chairman and Managing director).
(iii) Demand promissory notes.
(iv) Fixed deposits equivalent to interest for one quarter.

7) Working capital loan from financial institutions (secured) (current):
(i) Working capital loan amounting to INR 1,000 lakhs carries variable interest rate ranging from 10.00% p.a. to 10.25% p.a. linked to BLR (Lender's Benchmark lending rate) with agreed interest rate reset clause and is repayable in 4 quarterly installments up to FY 2025-26. These are primarily secured by way of (i) NACH Mandate and 3 cheques along with demand Promissory note and (ii) Cash collateral to the extent of 20% of principal amount as security deposit. The loan is also secured by way of personal guarantee by Mr. Rakesh Markhedkar (Chairman and Managing director), Mrs. Kanchan Markhedkar (relative of a Director) and Mr. Nakul Markhedkar (Relative of a Director).

(ii) Working capital loan amounting to INR 250 lakhs carries variable interest rate of 11.50% p.a. linked to FRR (Floating reference rate) with agreed interest rate reset clause and is repayable in 12 monthly installments up to FY 2025-26. These are secured by way of Cash collateral to the extent of 15% of principal amount as security deposit. The loan is also secured by way of personal guarantee by Mr. Rakesh Markhedkar (Chairman and Managing director), Mrs. Kanchan Markhedkar (relative of a Director) and Mr. Nakul Markhedkar (Relative of a Director), Farista Financials Consultants Private Limited (Promoter) and Deb Suppliers and Traders Private Limited (Promoter). Post merger of the aforesaid two promoter entities with the Company, the corporate guarantees have ceased to exist during the current year.

(iii) Working capital loan amounting to INR 1,500 lakhs carries variable interest rate of 10.95% p.a. linked to VCL Index rate with agreed interest rate reset clause and is repayable in 4 quarterly installments up to FY 2025-26. These are primarily secured by way of (i) NACH Mandate and 3 cheques and (ii) Cash collateral to the extent of 15.00% to 25.00% of principal amount as security deposit (iii) A subservient and continuing charge by way of hypothecation on all movable fixed assets and current assets both present and future and as more particularly stated in the deed of hypothecation iv) A Demand Promissory Note and a letter of continuity. The loan is also secured by way of personal guarantee by Mr. Rakesh Markhedkar (Chairman and Managing director), Mrs. Kanchan Markhedkar (relative of a Director), Mr. Nakul Markhedkar (Relative of a Director) and Mr. Vipul Markhedkar (Relative of a Director).

8) 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 by factoring their receivable from the Company.
Secured:
Such arrangement carries interest rate ranging from 12.50% p.a. to 13.75% p.a. and are repayable within a period of 90 to 120 days. 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 year.

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(All amounts in INR lakhs, unless otherwise stated)

b) (i) The quarterly returns/statements of current assets filed by the Company with bank is in agreement with the books of account for the quarters of the year ended 31 March 2025 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/financial institutions	14,500	All the current assets of the Company	June 2024	Inventories	5,348	5,520	(172)
				Trade receivables (including contract assets net of contract liabilities)	65,502	65,473	29
	14,500		September 2024	Inventories	6,450	6,449	1
				Trade receivables (including contract assets net of contract liabilities)	68,240	68,240	-
	14,500		December 2024	Inventories	6,211	6,033	178
				Trade receivables (including contract assets net of contract liabilities)	78,943	83,586	(4,643)
	14,500		March 2025	Inventories	4,678	5,994	(1,316)
				Trade receivables (including contract assets net of contract liabilities)	105,591	107,461	(1,870)

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

b) (ii) The quarterly returns/statements of current assets filed by the Company with bank is in agreement with the books of account 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 (including contract assets net of contract liabilities)	46,296	44,890	1,406
	13,000		September 2023	Inventories	5,410	4,962	448
				Trade receivables (including contract assets net of contract liabilities)	40,691	40,424	267
	13,000		December 2023	Inventories	5,666	5,135	531
				Trade receivables (including contract assets net of contract liabilities)	38,239	37,904	335
	13,000		March 2024	Inventories	5,112	5,073	40
				Trade receivables (including contract assets net of contract liabilities)	64,904	61,637	3,267

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

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 period and Company is also in compliance with applicable financial covenants wherever prescribed in the terms and 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 2024	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2025
				Interest accrued	Other changes	
Equity share capital (Refer note (i) below)	33	3	-	-	1,800	1,836
Securities premium (Refer note (ii) below)	10,314	10,271	-	-	(1,774)	18,811
Long-term borrowings (including current maturities)	1,987	5,120	(908)	-	-	6,199
Lease liabilities (Refer note (iii) below)	74	-	(88)	11	154	151
Short-term borrowings (Refer note (iv) below)	16,352	6,577	(1,834)	-	-	21,095

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	-	-	-	33
Securities premium (Refer note (ii) below)	1,374	8,146	-	-	794	10,314
Long-term borrowings (including current maturities)	4,409	348	(1,935)	(41)	(794)	1,987
Lease liabilities (Refer note (iii) below)	170	-	(104)	9	(1)	74
Short-term borrowings (Refer note (iv) below)	11,062	5,794	(625)	41	60	16,352

Notes :
(i) Other changes in equity share capital is on account of equity shares issued for consideration other than cash and on account of bonus shares issued during the relevant year.
(ii) Other changes in securities premium is on account of equity shares issued for consideration other than cash and bonus shares issued during the relevant year.
(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.
(iv) Other changes in borrowings is account of amortisation of ancilliary borrowing cost and conversion of borrowings into equity during the year ended 31 March 2024.

f) The Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon.

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Note 21: Lease liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Lease liabilities (Refer note 39)	80	38
	80	38
Current		
Lease liabilities (Refer note 39)	72	36
	72	36

Note 22: Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Dues to :		
- Micro enterprises and small enterprises (MSE)	9,181	4,826
- Trade payables other than MSE	38,581	24,866
Total	47,762	29,692

(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 7,240 lakhs and INR 5,743 lakhs as on 31 March 2025 and 31 March 2024,

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:

Particulars	As at 31 March 2025	As at 31 March 2024
(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	8,693	4,576
- Interest due on above	489	250
(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 year 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.	256	176
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	489	250
(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.	250	284

Trade payable ageing:
As at 31 March 2025

Particulars	Not Due*	Outstanding for following years from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSE	6,032	2,080	-	-	-	8,112
(ii) Undisputed dues - Others	32,851	4,979	85	293	373	38,581
(iii) Disputed dues - MSE	502	567	-	-	-	1,069
(iv) Disputed dues - Others	-	-		-	-	-
Total	39,385	7,626	85	293	373	47,762

* Includes unbilled trade payables amounting to INR 7,628 lakhs.

As at 31 March 2024

Particulars	Not Due*	Outstanding for following years 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 amounting to INR 2,128 lakhs.

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Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2025
(All amounts in INR lakhs, unless otherwise stated)

Note 23: Other current financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Employee related payables*	571	398
Deposits from vendors/ sub-contractors**	1,119	-
Payable for capital goods	19	11
	1,709	**409**

* Refer note 42 for salary payable to related parties.

** Represents deposits taken from certain vendors/ sub-contractors of the Company towards performance of the contract. The same are interest free and are refundable to the vendors/ sub-contractor as per the schedule mentioned in the contract.

Note 24: Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Contract liability (Refer note 50)	4,400	14,759
Advance from customers - revenue received in advance (Refer note 50)	2,335	201
Statutory dues payable	333	246
Total	**7,068**	**15,206**

Note 25: Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Provision for warranty	46	59
Provision for gratuity (refer note 38)	313	222
	359	**281**
Current		
Provision for foreseeable losses	395	798
Provision for warranty	13	19
Provision for gratuity (refer note 38)	60	31
Provision for compensated absences (refer note 38)	270	211
	738	**1,059**

Note 25.1: Movement in provision for foreseeable losses

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	798	1,458
Recognised during the year	89	116
Utilised/reversed during the year	(492)	(776)
Balance at the end of the year	**395**	**798**

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 25.2 : Movement in provision for warranty (current and non current):

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	78	94
Recognised during the year	2	47
Utilised/reversed during the year	(21)	(63)
Balance at the end of the year	**59**	**78**

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 26: Current tax liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Income tax liabilities (net of advance taxes paid - INR 683 lakhs as at 31 March 2025 and INR 1,283 lakhs as at 31 March 2024)	3,599	1,791
	3,599	**1,791**

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Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2025
(All amounts in INR lakhs, unless otherwise stated)

Note 27: Revenue from operations

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Sale of services:		
Income from engineering, procurement and construction (EPC) services*	91,182	77,669
Other operating revenue:		
Liabilities (project related) no longer required to be paid, written back	-	266
Reversal of provision towards foreseeable losses on contracts (net)	403	660
	91,585	78,595

***Note:** Refer note 50 for additional details.

Note 28: Other income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest income on:		
- on bank deposits	496	329
- on income tax refund	3	-
- on loan to a related party	16	-
Other non operating income:		
Provisions/liabilities no longer required written back (net)	127	209
Gain on sale of property, plant and equipment (net)	0	-
Gain on mutual fund investments (on sale and fair value changes)	7	10
Miscellaneous income	2	1
	651	549

Note 29: Cost of materials consumed (including stores and spares)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cost of materials consumed (Refer note 13)	48,368	38,496
Total	48,368	38,496
Reconciliation of cost of materials consumed :		
Opening stock	4,986	2,101
Opening stock in transit	87	1,465
Add: Purchases during the year (net)	49,289	40,003
Less: closing stock	5,994	4,986
Less: closing stock in transit	-	87
	48,368	38,496

Note 30: Project related expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Sub-contracting charges	14,355	12,780
Technical consultancy charges	629	2,813
Plant and machinery hire charges (Refer note 39)	238	328
Transportation charges	280	325
Loading and unloading charges	392	302
Survey costs	-	113
Warranty expenses	2	47
Other project related expense	146	69
	16,042	16,777

Note 31: Employee benefits expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and bonus (including directors' remuneration)	6,027	5,304
Contribution to provident and other funds (Refer note 38)	263	229
Staff welfare expenses	313	183
Gratuity expense (Refer note 38)	101	77
Compensated absences expense (Refer note 38)	59	103
	6,763	5,896

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Note 32: Finance costs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest expense on:		
- borrowings carried at amortised cost	3,448	2,341
- non-convertible debentures	196	-
- delayed payment of statutory dues and shortfall in payment of advance income tax	390	214
- lease liabilities (Refer note 39)	11	9
- delayed payment to micro and small enterprises vendors	256	176
Other borrowing costs*	1,057	657
	5,358	3,397

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

Note 33: Depreciation and amortisation expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation on property, plant and equipment (Refer note 4A)	210	243
Depreciation on right of use assets (Refer note 6)	77	86
Amortisation on intangible assets (Refer note 5)	10	76
	297	405

Note 34: Other expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Electricity expense	64	56
Rent expense (Refer note 39)	402	324
Repairs and maintenance - buildings	5	4
Repairs and maintenance - others	199	257
Security charges	344	335
Insurance	247	236
Rates and taxes	547	342
Vehicle hire charges (Refer note 39)	364	346
Auditor's remuneration (Refer note 35 below)	86	30
Travelling and conveyance	388	304
Communication	28	24
Consulting and professional fees	396	805
Site expenses	102	139
Donation	1	50
Printing and stationary	58	50
Loss on disposal of Property Plant and Equipment (net)	0	0
Bank charges	158	95
Business promotion expenses	56	52
Corporate social responsibility expenses (Refer note 43)	119	64
Allowance for expected credit loss (Refer note 14.2)	655	517
Loss allowance on contract assets	47	-
Miscellaneous expenses	123	66
	4,389	4,096

Note 35: Auditor's remuneration (excluding goods and service tax)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
As statutory auditor*		
Audit	60	30
Certifications	26	-
Total	86	30

* Excluding INR 100 lakhs (31 March 2024: Nil) towards deliverables pertaining to the proposed Initial Public Offering (IPO) of the equity shares of the Company.

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(All amounts in INR lakhs, unless otherwise stated)

Note 36: Current tax and deferred tax

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current tax:		
Current tax on profits for the year	3,753	2,876
Adjustments for tax of prior years	78	-
	3,831	2,876
Deferred tax credit:		
In respect of current year origination and reversal of temporary differences	(593)	(284)
Total	3,238	2,592

(b) Income tax on other comprehensive income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Deferred tax credit / (expense)	29	7
Total	29	7

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

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance (net)	(1,403)	(238)
Tax assets acquired pursuant to scheme of amalgamation (Refer note 55)	(28)	-
Taxes paid during the year (net)	2,468	1,910
Income tax charge during the year	(3,753)	(2,876)
Adjustment for tax of prior years	(78)	-
Interest on shortfall in payment of advance income taxes	(387)	(199)
Income tax refund received during the year	(233)	-
Closing balance	(3,415)	(1,403)
Non-current tax assets (net) (Refer note 11)	185	388
Current tax liabilities (Refer note 26)	3,599	1,791
Closing balance	(3,415)	(1,403)

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Accounting profit before income tax	11,019	10,077
Applicable income tax rate (in %)	25.17%	25.17%
Computed expected tax expense	2,773	2,536
Tax effect of amount which are not (taxable)/ deductible in calculating taxable income	980	340
Adjustments for tax of prior years	78	-
Deferred tax on origination/reversal of temporary differences	(593)	(284)
Tax expense reported in the statement of profit and loss	3,238	2,592

Note 37: Earnings per equity share

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net profit attributable to equity shareholders for the year [a]	7,781	7,485
Weighted average number of equity shares for basic earnings per share [b]	3,50,439	2,98,518
Add: Effect of split of equity shares (Refer note (i) below)	31,53,953	26,86,661
Add: Effect of bonus shares issue (Refer note (ii) below)	17,52,19,618	14,92,58,962
Total weighted average number of equity shares for basic earnings per share [c]	17,87,24,010	15,22,44,141
Dilutive potential equity shares	-	-
Weighted average number of equity shares for diluted earnings per share [d]	17,87,24,010	15,22,44,141
Basic earnings per share (in INR) [a/c]	4.35	4.92
Diluted earnings per share (in INR) [a/d]	4.35	4.92
Face value per share (in INR)	1.00	1.00

Notes:

(i) Pursuant to a resolution passed in extraordinary general meeting of the Company dated 12 August 2024, shareholders have approved split of each equity share having face value of INR 10 each into equity shares of face value of INR 1 each (the "split").

(ii) The shareholders of the Company, in its annual general meeting dated 26 August 2024, have approved the issuance of bonus shares to the equity shareholders in the ratio of 50 equity shares for each share held as at record date fixed as 23 August 2024.

(iii) As required under Ind AS 33 - "Earnings Per Share", the effect of split and bonus is adjusted for the purpose of computing earnings per share for all the period presented retrospectively.

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(All amounts in INR lakhs, unless otherwise stated)

Note 38: 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 recognized in the year in which the employee renders the related services.

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 year 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 summaries the components of net benefits expense recognized in the statement of profit and loss and other comprehensive income and the amount recognized in the balance sheet for the defined benefit plan.

	As at 31 March 2025	As at 31 March 2024
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	253	185
Interest cost	17	13
Current service cost	84	64
Benefits paid	(30)	(18)
Actuarial (gain)/ loss on obligation	49	9
Closing defined benefit obligation	373	253
Amount recognized in the balance sheet:		
Present value of defined benefit obligation at the end of the year	373	253
Net liability recognized in the balance sheet	373	253
Current	60	31
Non-current	313	222
Total	373	253

	Year ended 31 March 2025	Year ended 31 March 2024
Expense recognized in the statement of profit and loss		
Current service cost	84	64
Interest cost	17	13
Net expense recognized in the statement of profit and loss	101	77

	Year ended 31 March 2025	Year ended 31 March 2024
Expense recognized in the other comprehensive income:		
Actuarial (gain)/ loss on defined benefit obligations	49	9
Net expense recognized in the total comprehensive income	49	9
Breakup of actuarial loss/ (gain)		
Due to change in financial assumptions	9	7
Due to experience adjustments	40	1
Due to demographic assumptions	-	1
	49	9

Actuarial assumptions used

	Year ended 31 March 2025	Year ended 31 March 2024
Discount rate (% per annum)	6.82%	7.11%
Salary growth rate (% per annum)	6.00%	6.00%

Demographic assumptions used:

	Year ended 31 March 2025	Year ended 31 March 2024
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate table	Indian Assured Lives Mortality (2012-14) Ultimate table
Retirement age (in years)	58	58
Average future service (in years)	19	20
Attrition rate (% per annum)	2.00% to 10.00%	2.00% to 10.00%

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 year, which is the same method as applied in calculating the defined benefit obligation as recognized 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 summarizes 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 2025		Year ended 31 March 2024	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
Change in the defined benefit obligation	(29)	34	(22)	26
Salary growth rate				
Change in the defined benefit obligation	36	(31)	28	(24)
Attrition rate				
Change in the defined benefit obligation	0	(0)	1	(1)

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

	As at 31 March 2025	As at 31 March 2024
1st following year	59.68	31
2nd following year	34.44	9
3rd following year	66.78	28
4th following year	14.28	31
5th following year	19.45	12
6 years and onwards upto 10 years	98.61	73

Other information		
Number of active members	738	674
Weighted average duration of the projected benefit obligation for gratuity (in years)	14	15
Adjusted average future service (in years)	19	14

(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 31 March 2025 is INR 59 lakhs and for 31 March 2024 is INR 103 lakhs.
Amount of actuarial loss recognised in other comprehensive income for 31 March 2025 is INR 67 lakhs and for 31 March 2024 is INR 19 lakhs.
Amount recognised in balance sheet as at 31 March 2025: INR 270 lakhs and 31 March 2024: INR 211 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 2025	Year ended 31 March 2024
Employer's contribution towards Provident Fund (PF)	263	229
Employer's contribution towards Employee's State Insurance Corporation (ESIC)	0	0
Employers contribution towards Labour welfare fund (LWF)	0	0
	263	229

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Note 39: 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.

Right-of-use assets:
(i) The net carrying value of right-of-use assets as at 31 March 2025 amounts to INR 150 lakhs and 31 March 2024: INR 95 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 2025**	**As at 31 March 2024**
Opening balance	74	170
Add : Addition during the year	169	-
Add : Interest on lease liabilities	11	9
Less : Payment of lease liabilities	(88)	(104)
Add : Other adjustments	(14)	(1)
Closing balance	152	74
Non current	80	38
Current	72	36

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

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
0-1 year	82	50
1-5 years	91	29
5 years and above	-	-

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

(i) Depreciation expense from right-of-use assets of 31 March 2025: INR 77 lakhs and 31 March 2024: INR 86 lakhs.

(ii) Interest on lease liabilities of 31 March 2025: INR 11 lakhs and 31 March 2024: INR 9 lakhs. (Refer note 32).

(iii) Expense amounting to 31 March 2025: INR 1,004 lakhs and 31 March 2024: INR 998 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 30 and 34).

Note 40 : There are no capital commitments as at the end of reporting years.

Note 41: Contingent liabilities

	As at 31 March 2025	**As at 31 March 2024**
Contingent liabilities (to the extent not provided for):		
a) Income tax demand in respect of earlier years under dispute*	405	415
b) Goods and service tax demand in respect of earlier years under dispute*	5,993	6,036
c) Claims against the Company not acknowledged as debt	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 (including interest) 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.

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Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)
Notes to the financial statements as at and for the year ended 31 March 2025
(All amounts in INR lakhs, unless otherwise stated)

Note 42: 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 - Whole Time Director (w.e.f. 17 June 2024) and Promoter (w.e.f. 24 September 2024)
Mr. Nakul Markhedkar - Whole Time Director (w.e.f. 17 June 2024) and Promoter (w.e.f. 24 September 2024)
Mr. Dibyendu Ray - Chief Operating Officer (w.e.f. 23 May 2024)
Mr. Ashish Bahety - Chief Financial Officer
Mrs. Kajal Rakholiya - Company Secretary (w.e.f. 06 May 2024)
Mrs. Priti Savla - Independent Director (w.e.f. 24 September 2024)
Mr. Rakesh Sharma - Independent Director (w.e.f. 24 September 2024)
Mr. Arun Unhale - Independent Director (w.e.f. 24 September 2024)

ii) Relatives/close members of the family of Key managerial personnel (KMP)
Mrs. Kanchan Markhedkar - Wife of Chairman and Managing Director
Mr. Vipul Markhedkar - Son of Chairman and Managing Director

iii) Entities having significant influence over the Company (Refer note 55)
Deb Suppliers & Traders Private Limited (Promoter) (Upto 23 August 2024)
Farista Financial Consultants Private Limited (Promoter) (Upto 23 August 2024)

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
Power and Control Transformer Industries Private Limited
Vikran Global Infraprojects Private Limited

B) Transactions with related parties :

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1(A). Sub-contracting and other charges		
SEU India Performance Excellence LLP	85	203
1(B). Revenue from operations (including billing)		
Swarnayug Developers LLP ^^	-	915
2. Dividend paid		
Deb Suppliers & Traders Private Limited	-	196
Farista Financial Consultants Private Limited	-	195
Mr. Rakesh Markhedkar	223	1
Mr. Vipul Markhedkar	27	-
Mr. Nakul Markhedkar	27	-
Mrs. Kanchan Markhedkar	27	-
Vikran Global Infraprojects Private Limited	4	-
3. Rent paid *		
Mrs. Kanchan Markhedkar	7	6
4. Loan/Advance taken:		
Mr. Rakesh Markhedkar	425	297
Mrs. Kanchan Markhedkar	299	401
Mr. Nakul Markhedkar	88	94
Mr. Vipul Markhedkar	105	177
Rakesh Markhedkar HUF	107	105
5. Loan/Advance repaid:		
Mr. Rakesh Markhedkar	425	297
Mrs. Kanchan Markhedkar	299	401
Mr. Nakul Markhedkar	88	94
Mr. Vipul Markhedkar	105	177
Rakesh Markhedkar HUF	107	105
Vikran Global Infraprojects Private Limited #	-	2,119
6. Loan given:		
Power and Control Transformers Industries Private Limited	189	-
7. Interest income on loan:		
Power and Control Transformers Industries Private Limited	16	-

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B) Transactions with related parties (continued) :

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
8. Interest expense:		
Mr. Rakesh Markhedkar	4	14
Mrs. Kanchan Markhedkar	7	21
Mr. Nakul Markhedkar	2	8
Mr. Vipul Markhedkar	2	10
Rakesh Markhedkar HUF	10	15
Vikran Global Infraprojects Private Limited	-	148
9. Reimbursement of expenses incurred by		
Mr. Rakesh Markhedkar	6	8
Mrs. Kanchan Markhedkar	3	16
Mr. Nakul Markhedkar	17	4
Mr. Vipul Markhedkar	1	7
Mr. Avinash Markhedkar	0	1
10. Expenses incurred by the Company on behalf of		
Mr. Rakesh Markhedkar^	66	-
Mrs. Kanchan Markhedkar	15	-
Mr. Nakul Markhedkar	13	-
Mr. Vipul Markhedkar	8	-
11. Remuneration (short term employee benefits) to KMP and their relatives/ close members of family of KMP		
Mr. Rakesh Markhedkar	266	246
Mr. Avinash Markhedkar	77	67
Mrs. Kanchan Markhedkar	264	253
Mr. Nakul Markhedkar	211	199
Mr. Vipul Markhedkar	138	67
Mr. Ashish Bahley	96	42
Mr. Dibyendu Ray	69	-
Mrs. Kajal Rakholiya	12	-
12. Director's sitting fee		
Mrs. Priti Savla	1	-
Mr. Rakesh Sharma	1	-
Mr. Arun Unhale	1	-
13. Salary advance given		
Mr. Rakesh Markhedkar	44	-
Mrs. Kanchan Markhedkar	50	-
Mr. Vipul Markhedkar	50	-
14. Salary advance recovery		
Mr. Rakesh Markhedkar	44	-
Mrs. Kanchan Markhedkar	50	-
Mr. Vipul Markhedkar	50	-

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

^ Includes INR 57 lakhs (31 March 2024: Nil) towards expense incurred on behalf of promoter selling shareholder, which has been incurred by the Company towards proposed Initial Public Offering (IPO) of the equity shares of the Company.

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 Nil during the year ended 31 March 2025 (31 March 2024 : INR 915 lakhs).

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(All amounts in INR lakhs, unless otherwise stated)

C) Balances outstanding at the year-end

Particulars	As at 31 March 2025	As at 31 March 2024
Trade payables		
SEU India Performance Excellence LLP	-	10
Trade receivables		
Swarnayug Developers LLP	148	166
Advance to suppliers		
SEU India Performance Excellence LLP	1	-
Loan given		
Power and Control Transformers Industries Private Limited	204	-
Other financial assets		
Vikran Engineering & Exim Private Limited Employees Group Gratuity Fund	0	0
Mr. Rakesh Markhedkar	57	-
Salary payable		
Mr. Rakesh Markhedkar	83	7
Mr. Avinash Markhedkar	6	3
Mrs. Kanchan Markhedkar	42	6
Mr. Nakul Markhedkar	16	6
Mr. Vipul Markhedkar	2	6
Mr. Ashish Bahety	1	4
Mr. Dibyendu Ray	5	-
Mrs. Kajal Rakholiya	1	-

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 20 to the financial statements.

- Deb Suppliers and Traders Private Limited (Upto 23 August 2024)
- Farista Financial Consultants Private Limited (Upto 23 August 2024)
- 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) 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.

(v) During the current year, pursuant to approval by National Company Law Tribunal (NCLT) of the scheme of amalgamation of the Company with Farista Financial Consultants Private Limited and Deb suppliers and Traders Private Limited (collectively referrred to as 'erstwhile promoters'), these erstwhile promoter companies have been amalgamated with the Company and the shares held by these two entities have been reduced from the share capital of the Company and in-turn new shares of the Company have been issued to the shareholders of erstwhile promoters which included Mr. Rakesh Markhedkar. Also refer note 55.

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(All amounts in INR lakhs, unless otherwise stated)

Note 43: 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 2025	Year ended 31 March 2024
a) Gross amount required to be spent during the year	119	64
b) Amount approved by the Board to be spent during the year	119	64
c) Amount spent during the year:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	119	64
Total amount unspent	-	-

Notes :

i) Nature of CSR activities includes social welfare, economic activities for education of poor disable children and women, vocational training courses, child development programmes, etc.

ii) The Company does not have any ongoing projects as at the end of reporting years.

iii) During the year, there is no related party transaction in relation to CSR expenditure.

iv) There is no unspent amount of CSR activities as at the end of reporting years.

Note 44: 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 2025	Year ended 31 March 2024
India	91,182	77,669
Outside India	-	-
Total	**91,182**	**77,669**

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from top five customers	63,685	43,680

(c) For the year ended 31 March 2025, three (31 March 2024: three) customers, individually accounted for more than 10% of the revenue from operations.

(d) Non-current assets*

Particulars	As at 31 March 2025	As at 31 March 2024
India	2,471	2,494
Outside India	-	-

* Excluding financial assets and tax assets.

Note 45: Dividend

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Dividend on equity shares paid during the year:		
Final dividend for the previous year paid in current year	378	392
	378	392

The dividend paid by the Company is in compliance with the Section 123 of Act.
No income tax consequences are expected to arise as a result of this transaction at the Company level.

Note 46: 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 year in which the Code becomes effective.

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Note 47: 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 2025			
	Carrying value			Fair value hierarchy of financial assets and liabilities measured at FVTPL
	Amortised cost	Financial assets / liabilities at fair value through profit or loss (FVTPL)	Total carrying value	
Financial assets				
Investment in mutual funds	-	113	113	Level 1
Trade receivables	63,432	-	63,432	-
Loans	203	-	203	-
Cash and cash equivalents	250	-	250	-
Other bank balances	6,457	-	6,457	-
Other financial assets	3,221	-	3,221	-
Financial liabilities				
Long term borrowings	3,192	-	3,192	-
Short term borrowings	24,102	-	24,102	-
Lease liabilities	152	-	152	-
Trade payables	47,762	-	47,762	-
Other financial liabilities	1,709	-	1,709	-

Particulars	As at 31 March 2024			
	Carrying value			Fair value hierarchy of financial assets and liabilities measured at FVTPL
	Amortised cost	Financial assets / liabilities at fair value through profit or loss (FVTPL)	Total carrying value	
Financial assets				
Investment in mutual funds	-	90	90	Level 1
Trade receivables	46,390	-	46,390	-
Cash and cash equivalents	8	-	8	-
Other bank balances	4,987	-	4,987	-
Other financial assets	2,879	-	2,879	-
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	-

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 other non-current financial assets approximate their carrying amounts due to the fact that it is estimated by discounting future cash flows using market rates of interest applicable as at reporting dates.

Fair value of long term borrowings approximate their carrying amounts due to the fact that long term borrowings are measured at amortised cost using the floating rates/fixed rates of interest, which in turn are based on interest rates prevailing in the market for similar transaction.

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 years.

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

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Note 48: 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	As at 31 March 2025	As at 31 March 2024
Upto 90 days	0.10% to 1.00%	0.10% to 1.00%
91 to 180 days	2.50% to 4.50%	2.50% to 4.50%
181 to 365 days	7.00% to 11.00%	8.00% to 12.00%
More than 365 days	25.00% to 80.00%	25.00% to 80.00%

a) For reconciliation of loss allowance on trade receivables, refer note 14.1.

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 39 for contractual maturities of lease liabilities.

As at 31 March 2025	Carrying amount	Contractual maturities				
Particulars	Amount	Repayable on demand	Upto 1 year	Between 1 - 3 years	Beyond 3 years	Total
Financial liabilities						
Borrowings	27,294	13,015	11,140	3,112	27	27,294
Trade payables*	47,762	-	45,317	2,445	-	47,762
Other financial liabilities	1,709	-	1,709	-	-	1,709
Total	76,765	13,015	58,166	5,557	27	76,765

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	48,440	11,697	33,125	3,398	220	48,440

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

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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 year are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Variable rate borrowing	16,757	15,193
Fixed rate borrowings	10,537	3,146
Total	**27,294**	**18,339**

- 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 2025	As at 31 March 2024
50 bps increase would decrease the profit before tax/equity by*	(84)	(76)
50 bps decrease would increase the profit before tax/equity by*	84	76

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

Mutual fund price risk

The value of unquoted mutual fund investments measured at fair value through profit and loss as at 31 March 2025 is INR 113 lakhs (31 March 2024: INR 90 lakhs. A 10% change in value for year ended 31 March 2025 would result in an impact of INR 11 lakhs (31 March 2024: INR 9 lakhs) on profit before tax and other equity (holding all other variables constant).

Note 49: 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 2025	As at 31 March 2024
Net debt (Total borrowings less cash and cash equivalents)	27,044	18,331
Total equity	46,787	29,129
Capital gearing ratio	**0.58**	**0.63**

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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 2025	Year ended 31 March 2024
Contracted price	91,269	77,152
Add/ (Less): Variable consideration	(87)	517
Revenue from sale of services	**91,182**	**77,669**

b) Revenue based on performance obligations

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
As services are rendered (over the period of time)	91,182	77,669
Upon completion of services (at a point in time)	-	-

c) Recognised revenue earned from:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Related parties*	-	550
Others	91,182	77,119

* As per contractual arrangement, billing is done amounting to Nil for the year ended 31 March 2025 (31 March 2024 : INR 915 lakhs) which has been disclosed in transaction with related parties.

d) Contract balances

Particulars	Year ended 31 March 2025	As at 31 March 2024
Trade receivables (net carrying value)	63,432	46,390
Contract assets (unbilled work in progress)	46,637	28,916
Advance from customers	2,335	201
Contract liability*	4,400	14,759

* Revenue recognised during the year from contract liability is INR 11,060 lakhs (31 March 2024 : INR 8,731 lakhs).

e) Movement in contract assets and contract liability

Particulars	Contract assets (gross)	Contract liability and customer advances
Balance as on 01 April 2023	**19,464**	**10,021**
Net increase/ (decrease)	9,452	4,939
Balance as on 01 April 2024	**28,916**	**14,960**
Net increase/ (decrease)	17,768	(8,225)
Balance as on 31 March 2025	**46,684**	**6,735**

Note: Increase in contract assets is primarily due to higher revenue recognition as compared to progress billing during the year in certain projects, whereas reduction in contract liabilities is due to lower 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 2024: Nil).

(ii) Amount recognised as contract assets in relation to cost incurred for obtaining contract as at 31 March 2025 : Nil (31 March 2024: 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.

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51 Key analytical ratios (to the extent applicable) :

Particulars	Numerator	Denominator	31 March 2025	31 March 2024	Variance	Explanation for variance in ratio by more than 25%
Current ratio	Current assets	Current liabilities	1.52	1.37	10.94%	Not applicable
Debt equity ratio	Borrowings (current and non current)	Total equity	0.58	0.63	-7.34%	Not applicable
Debt service coverage ratio	Net profit before tax + depreciation, and amortisation + interest expense on borrowings	Principal and interest repayment of long-term borrowings	0.48	0.62	-22.55%	Not applicable
Return on equity (ROE)	Net profit after taxes	Average Shareholders' equity	20.50%	35.44%	-42.16%	Reduction is primarily because in the current year, shareholders equity has increased significantly.
Fixed assets turnover ratio	Revenue from operations	Propert, plant end equipment	101.26	91.01	11.27%	Not applicable
Inventory turnover ratio	COGS + Project related expenses	Average inventory	11.64	12.80	-9.04%	Not applicable
Trade receivable turnover ratio	Revenue from operations.	Average trade receivables	1.67	1.89	-11.53%	Not applicable
Trade payables turnover ratio	Cost of material consumed + Project related expense	Average trade payable	1.66	1.87	-11.21%	Not applicable
Net capital turnover ratio	Revenue from operations	Working capital (Current assets less current liabilities)	2.07	3.25	-36.18%	Decrease is primarily due to increase in the current assets (trade receivables and contract assets)
Net profit ratio	Net profit after tax	Total income	8.44%	9.46%	-10.81%	Not applicable
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital employed (Total equity + total current & non-current borrowings- cash and cash equivalents and other bank balances)	23.34%	30.43%	-23.30%	Not applicable
Return on investment	Net profit after taxes	Total assets	5.74%	7.80%	-26.35%	Reduction is primarily on account of increase in trade receivables and contract assets 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 years.

(iv) The Company does not have any such transaction which is not recorded in the books of account 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 2025 and 31 March 2024 except below:

Name of Company	Nature of transactions	31 March 2025	31 March 2024	Relationship
Eweels Logistics Services India	Advance	0	0	Vendor
Lorshi Enterprises Private Limited	Payables	0	0	Vendor
Taneesh Travel And Tours Private	Advance	0	0	Vendor
Kedar Badri Construction Private	Payables	3	3	Vendor
Rishabh Human Resource Solution Private Limited*	Payables	2	4	Vendor
TMSV Paripurnam Infrastructure (OPC) Private Limited*	Payables	0	1	Vendor
Unive Orbital Private Limited	Payables	3	3	Vendor
Vidhudi Engineering India Private	Payables	0	0	Vendor
Plinth Construction Private Limited	Payables	0	0	Vendor
Jyotipriya Infratech Private Limited	Payables	0	1	Vendor

* Balance written back

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

VIKRAN ENGINEERING LIMITED

(All amounts in INR lakhs, unless otherwise stated)

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 Farista Financial Consultants Private Limited ("Farista") and Deb Suppliers and Traders Private Limited ("Deb") (hereinafter, collectively referred as 'Transferor Companies') with the Company under section 230 to 232 of the Act and other applicable provisions of the Act read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 ('the Merger'). The aforesaid Scheme of Merger has been approved by National Company Law Tribunal, Mumbai Bench ('NCLT') vide its order dated 14 August 2024 pronouncing 01 April 2023 as the Appointed Date. The certified true copy of the NCLT order has been filed by the Company with Registrar of Companies on 23 August 2024 ('Effective Date').

Pursuant to the said NCLT order and the scheme of the Merger, the Company has issued 1,445,940 and 1,450,840 equity shares (having face value of INR 1 each) to the shareholders of Farista and Deb, respectively in the swap ratio as mentioned in the NCLT order. From the equity shares issued to them, 1,449,480 equity shares previously held by Farista and 1,444,300 equity shares previously held by Deb (having face value of INR 1 each) in the Company have been reduced from the Effective Date. Further, Deb and Farista have been amalgamated with the Company from the Effective Date.

Management has assessed that the Merger is not in the nature of business combination as per Ind AS 103 - 'Business Combinations' as Farista and Deb did not have inputs/processes through which any output could be generated. Further, the impact of the Merger is not material to the Company. Consequently, the impact of the Merger has taken from the Effective Date in the books of the Company.

Assets acquired and liabilities assumed as on the Effective Date:

Particulars	Amount
Income tax assets	28
Cash and cash equivalents	15
Trade payables	(1)
Net assets acquired (a)	**42**
Reduction of existing equity shares held by Farista and Deb in the Company as per the scheme	(29)
Issue of new equity shares to the individual shareholders as per the scheme	29
Net impact of equity shares issued (b)	**0**
Transferred to retained earnings since the merger is not in the nature of business combination (a+b)	42

Notes:
a) There is no contingent consideration payable as a part of the scheme of merger.
b) Transaction costs have been expensed in the statement of profit and loss.

56 Ministry of Corporate Affairs (MCA) has prescribed a 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. The audit trail feature is not tampered with, where such feature is enabled. Further, the audit trail has been preserved at the application level by the Company as per the statutory requirements for record retention.

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

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

Rakesh R. Agarwal
Partner
Membership No. : 109632

Place: Mumbai
Date: 09 June 2025

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Vikran Engineering Limited

Rakesh Markhedkar
Chairman & Managing Director
DIN : 07009284
Place: Thane
Date: 09 June 2025

Avinash Markhedkar
Director
DIN : 03089201
Place: Thane
Date: 09 June 2025

VIKRAN ENGINEERING LIMITED

Ashish Bahety
Chief Financial Officer
Place: Thane
Date: 09 June 2025

Kajal Rakholiya
Company Secretary
Place: Thane
Date: 09 June 2025