
CERTIFICATE ON ELIGIBILITY CONDITIONS

August 18th, 2025

To,

The Board of Directors,

Vikran Engineering Limited

401, Odyssey IT Park, Road No. 9,

Industrial Wagle Estate, Thane,

Maharashtra, India, 400604

(The “**Company**”)

Pantomath Capital Advisors Private Limited

Pantomath Nucleus House,

Saki Vihar Road, Andheri East,

Mumbai - 400072 Maharashtra, India

Systematix Corporate Services Limited

The Capital, A-wing, No. 603–606

6th Floor, Plot No. C-70

G Block, Bandra Kurla Complex

Bandra (East), Mumbai – 400 051, India

(**Pantomath Capital Advisors Private Limited** alongwith **Systematix Corporate Services Limited** are collectively referred to as the “Book Running Lead Managers”, the “**BRLMs**”)

Re: Proposed initial public offering of Vikran Engineering Limited (the “Company” or “Offeror”)

This certificate is issued in accordance with the terms of our engagement letter and consent letter.

We, M/s Pramodkumar Dad & Associates, Chartered Accountants, the Peer Reviewed Independent Practicing Chartered Accountant, have been informed that the Company proposes to file the Red Herring Prospectus with the Registrar of Companies, Maharashtra at Mumbai (“**Registrar of Companies**” and such Red Herring Prospectus, the “**RHP**”) and with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”) in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) and; (i) Prospectus with SEBI, the Stock Exchanges and the Registrar of Companies (the



“**Prospectus**”); and (ii) any other documents or materials to be issued in relation to the Offer (collectively with the RHP and Prospectus, the “**Offer Documents**”).

We have been requested by the Company to confirm eligibility of the Company in accordance with Regulation 6(1) of the ICDR Regulations to undertake the Offer.

Management's Responsibility:

The preparation of the information relied on for the purpose of this certificate / the preparation of this statement is primarily the responsibility of the Management of the Company. This responsibility also includes maintenance of all accounting & other records supporting its contents; designing, implementing & maintaining adequate internal control relevant to the size & nature of company that were operating effectively for ensuring the accuracy, authenticity & completeness of the accounting records; making estimates that are reasonable in the circumstances and providing data for verification which is free from any kind of misstatements & errors for reliance by practitioner.

The Management is also primarily responsible for ensuring, with respect to matters disclosed in the certificate, correct identification of details / information required, true & correct determination of facts and figures and accuracy & authenticity in the content and intent so that the certificate serves the desired purpose to the users.

The management is also responsible for ensuring that the Company complies with the requirements of the Companies Act, 2013 (the “**Companies Act**”); the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the “**ICDR Regulations**”) and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, amended from time to time (the “**Guidance Note**”) and other relevant regulations in connection with the proposed Offer.

Practitioners Responsibility:

Pursuant to the requirements, it is our responsibility to perform necessary process and procedures to confirm as to whether the details, information, facts and figures relied on for the purpose of this certificate by management / the statement prepared by the management; are in accordance with the relevant records provided for examination.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and the Guidance Note on Reports in Company Prospectuses (Revised 2019) (the “**Guidance Notes**”) in accordance with the generally accepted auditing standards in India and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the examination to obtain reasonable assurance about the ‘Reporting Criteria’. The Guidance Notes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services



Engagements.

We have performed following procedures:

We have relied on the audited financial statements and special purpose audited financial statements of the Company as of March 31, 2025, March 31, 2024 and corresponding figures of March 31, 2023. Further, we have audited special purpose financial statements of the Company for the financial years ended March 31, 2024 and March 31, 2023. These audited financial statements are prepared in accordance with the Companies Act, 2013, as amended (the "Companies Act") and the Indian Accounting Standards ("Ind AS"). We have also relied on independent auditors report in respect of the these Financial Statements and such other documents as we deemed necessary for issuing this certificate.

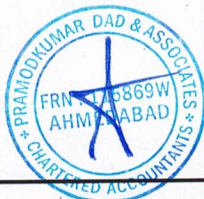
We have also relied on the Restated Financial Information and Examination Report thereon of the Company as of March 31, 2025, March 31, 2024 and corresponding figures of March 31, 2023 prepared in accordance with the Companies Act, 2013, as amended (the "Companies Act") and the Indian Accounting Standards ("Ind AS") and restated in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") and the reports issued thereon (the "Restated Financial Information") and such other documents as we deemed necessary for issuing this certificate.

Conclusion:

Based on our examination, according to the information & explanations given to us and relying on representations & explanations from the management of the Company, we hereby confirm that:

The Company, having its registered office at 401, Odyssey IT Park, Road No. 9, Industrial Wagle Estate, Thane, Maharashtra, India, 400604, India is eligible for the Offer as per Regulation 6(1) of the ICDR Regulations which is explained as under:

Conditions for Eligibility under Regulation 6(1) of ICDR Regulations	Regulation	Condition met (Yes/No)
The Company had net tangible assets of at least Rs. 30 million, calculated on a restated in each of the preceding three full years (of 12 months each), of which not more than 50% were held in monetary assets.	6 (1) (a)	Yes
The Company had an average operating profit of at least Rs. 150 million calculated on a restated, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years.	6 (1) (b)	Yes
The Company had a pre-Issue net worth of not less than Rs. 10 million in each of the three preceding years (of 12 months each), calculated on a restated.	6 (1) (c)	Yes
If the Company had changed its name within the last one year, at least fifty percent of the revenue calculated on a restated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.	6 (1) (d)	Yes



- (i) Certain Information of the Company as per the Restated Financial Information are as under:

(in Rs. million except percentage values)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Net tangible assets, as restated ⁽¹⁾	4,509.33	2,813.54	1,225.26
Monetary assets, as restated ⁽²⁾	877.53	756.26	581.16
Monetary assets as a percentage of Net tangible assets (in %), as restated	19.46%	26.88%	47.43%

- (1) 'Net tangible assets' means the sum of all net assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38, deferred tax assets and liabilities as defined in Ind AS 12 and right of use assets as defined in Ind AS 116 issued by Institute of Chartered Accountants of India.
- (2) 'Monetary assets' is the aggregate of cash on hand and balance with banks (including other bank balances and committed bank deposits included in other non-current financial assets).

- (ii) The following information of the Company in the table below for the financial years ended March 31, 2025, March 31, 2024, March 31, 2023 as per the Restated Financial Statements are as under:

(in Rs. million)

Particulars	Financial year ended March 31, 2025	Financial year ended March 31, 2024 -	Financial year ended March 31, 2023
Operating Profit, as restated ⁽²⁾	1,572.63	1,292.44	760.16
Net Worth, as restated ⁽¹⁾	4678.73	2912.80	1311.35

- (1) 'Net worth' has been defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation..
- (2) 'Operating Profit' has been calculated as profit before tax add finance cost and less other income.

The computation for each of the line items specified above is provided in **Annexure A**. We confirm that the information included in **Annexure A** is true, fair, correct, accurate, not misleading and without omission of any matter that is likely to mislead and adequate to enable investors to make a well informed decision.

We undertake to update you in writing of any changes in the abovementioned position based on written intimation received from management until the date the Equity Shares issued pursuant to the Issue commence trading on the stock exchanges. In the absence of any communication from management till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.



Restriction on Use:

This certificate is for information and for inclusion (in part or full) in the RHP of the Company to be submitted/filed with the SEBI and any relevant Stock Exchanges, and the Prospectus which the Company intends to file with the RoC and thereafter file with the SEBI and the Stock Exchanges and in any other document in relation to the Offer (collectively, the "Offer Documents") or any other Offer related material, and may be relied upon by the Company, the BRLMs and the Legal Counsel to the Offer. We hereby consent to the submission of this certificate as may be necessary to the SEBI, the RoC, the Stock Exchanges and any other regulatory authority and/or for the records to be maintained by the BRLMs and in accordance with applicable law.

This certificate has been prepared at the request of the company solely for the purpose of the issue and addressed to intended & identified users. This certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,

For M/s Pramodkumar Dad & Associates
Chartered Accountants
ICAI Firm Registration Number: 115869W



Partner: Abhishek Dad
Membership No. 131918
Place: Ahmedabad
UDIN: 25131918BMGXVC5107

CC:

Legal Counsel to the Company
Kanga & Co.
Readymoney Mansion,
43, Veer Nariman Road,
Mumbai – 400 001

Legal Counsel to the BRLMs
M/s. Crawford Bayley & Co.
State Bank Buildings
N.G. N. Vaidya Marg
Fort, Mumbai 400 023
Maharashtra, India

Annexure A

Net Tangible Assets

(Amount in INR million)

Particular	March 31, 2025	March 31, 2024	March 31, 2023
Total Assets	13,546.75	9,597.94	7,124.68
Less: Total Liabilities	8,868.02	6,685.14	5,813.33
Less: Intangible Assets	2.02	2.25	9.43
Less: Right to Use Assets	14.96	9.43	18.06
Less: Deferred Tax Assets	152.42	87.58	58.60
Net Tangible Assets	4,509.33	2,813.54	1,225.26

Monetary Assets

(Amount in INR million)

Particular	March 31, 2025	March 31, 2024 -	March 31, 2023
Cash and cash equivalents	24.98	0.81	1.23
Bank balances	645.66	498.71	148.02
Bank deposits having remaining maturity of more than 12 months*	206.89	256.74	431.91
Total	877.53	756.26	581.16

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

Operating Profit

(Amount in INR million)

Particular	March 31, 2025	March 31, 2024 -	March 31, 2023
Profit before tax	1,101.89	1,007.56	539.78
Less: Exceptional items - gain (net)	-	-	13.04
Less: Other Income	65.17	54.89	48.74
Add: Finance Cost	535.91	339.77	282.16
Operating Profit	1,572.63	1,292.44	760.16

