

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION**

The Board of Directors

**Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)**

401, Odyssey IT Park,  
Road No. 9, Wagle Industrial Estate,  
Thane – 400 604,  
Maharashtra – India

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)** (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at 31 March 2024, 31 March 2023 and 31 March 2022, the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Statement of Cash Flows for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, and Notes to the Restated Financial Information including material accounting policies and other explanatory information (collectively, the "**Restated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on 24 September 2024, for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**"), prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**IPO**") prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited ("NSE Limited") and BSE Limited (collectively "stock exchanges") in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 1 to the Restated Financial Information. The Board of Directors of the Company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.



3. We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 08 August 2024 along with addendum dated 17 September 2024 thereto in connection with the proposed IPO of equity shares of the Company;
- b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
- d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.

4. These Restated Financial Information have been compiled by the management from:

- a) Audited Special Purpose Ind AS Financial Statements of the Company as at and for the year ended 31 March 2024, prepared in accordance with the basis of preparation, as set out in Note 1 to the Restated Financial Information, which have been approved by the Board of Directors at their meeting held on 24 September 2024; and
- b) As at and for the years ended 31 March 2023 and 31 March 2022:
  - i. Audited Special Purpose Ind AS Financial Statements of the Company as at and for the years ended 31 March 2023 and 31 March 2022 (hereinafter referred to as '**2023 and 2022 financial statements**') prepared in accordance with the basis of preparation, as set out in Note 1 to the Restated Financial Information, which have been approved by the Board of Directors at their meeting held on 05 August 2024.

The 2023 and 2022 financial statements have been prepared by the Company in accordance with the Ind AS with date of transition as 01 April 2021 for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. These 2023 and 2022 financial statements have been audited by M/s Pramodkumar Dad & Associates, Chartered Accountants ("**Other Auditor**") on which they have issued audit report dated 05 August 2024 to the Board of Directors who have approved these in their meeting held on 05 August 2024.

- ii. From the audited financial statements of the Company as at and for the years ended 31 March 2023 and 31 March 2022 prepared in accordance with the accounting standards prescribed under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 ('Indian GAAP') which were approved by the Board of Directors in their meetings held on 28 August 2023 and 11 August 2022, respectively.



5. For the purpose of our examination, we have relied on:

- a) Auditors' reports issued by us dated 24 September 2024 on the Special Purpose Ind AS financial statements of the Company as at and for the year ended 31 March 2024 as referred in Paragraph 4(a) above.

Our report on the Special Purpose Ind AS Financial Statements of the Company for the year ended 31 March 2024 expresses an unmodified opinion and includes emphasis of matter paragraphs which are reproduced as follows:

1. Recoverability of Trade Receivables

"We draw attention to Note 13.1 to the accompanying Special Purpose Ind AS Financial Statements, which describe an uncertainty to the outcome of an ongoing litigation with a customer on recoverability of balance amounting to INR 292.90 million 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 special purpose Ind AS financial statements in this respect. Our opinion is not modified in respect of this matter."

2. Basis of Preparation and Restriction on Distribution and Use

"We draw attention to Note 1 to the accompanying Special Purpose Ind AS Financial Statements, which describes the basis of its preparation. The Special Purpose Ind AS Financial Statements have been prepared by the Company solely for the purpose of preparation of the Restated Financial Information for the year ended 31 March 2024 to be included in the Draft Red Herring Prospectus ('DRHP') as per the requirements of Section 26 of Part I of Chapter III of the Act, read with 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 general directions issued by Securities and Exchange Board of India ("SEBI") dated 28 October 2021 through the Association of Investment Bankers of India to the Lead Managers of the Company, to be filed with SEBI, National Stock Exchange of India Limited and BSE Limited, in relation to the proposed initial public offering of the equity shares of the Company. Therefore, these Special Purpose Ind AS Financial Statements may not be suitable for any another purpose. Our report is issued solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior consent in writing. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of this matter."

- b) Auditors' Report issued by Other Auditor dated 05 August 2024 on the 2023 and 2022 financial statements of the Company as at and for the years ended 31 March 2023 and 31 March 2022, as referred in Paragraph 4(b)(i) above.

Report of the Other Auditor on the Special Purpose Financial Statements for the years ended 31 March 2023 and 31 March 2022 of the Company expresses an unmodified opinion and includes an emphasis of matter paragraph which is reproduced as follows:



Restriction on Distribution and Use

"We draw attention to Note 1 to the accompanying special purpose financial statements which describes the basis of preparation used by the management for the preparation of the special purpose financial statements. These special purpose financial statements have been prepared solely for the purpose as explained in the aforementioned note. This report is issued solely for the aforementioned purpose and for the use by the statutory auditors of the Company and accordingly, this report should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to any other person in whose hands our report may come without our prior consent in writing. Our opinion is not modified in respect of this matter."

- c) Auditors' Report issued by M/s Manish Kumar Agarwal & Co, Chartered Accountants ('Predecessor Auditor') dated 28 August 2023 and 11 August 2022 on the audited Indian GAAP financial statements of the Company as at and for the years ended 31 March 2023 and 31 March 2022, respectively, as referred in Paragraph 4(b)(ii) above. As informed to us by the management, the Predecessor Auditor does not hold a valid peer review certificate as issued by the 'Peer Review Board' of the Institute of Chartered Accountants of India and has therefore, expressed its inability to perform any work on the restated financial information for the aforesaid years. Accordingly, in accordance with ICDR Regulations and the Guidance Note, restated financial information for the years ended 31 March 2023 and 31 March 2022 has been audited by Other Auditor.
6. The audits of 2023 and 2022 financial statements were conducted by the Other Auditor, and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statement of profit and loss (including other comprehensive income), statement of changes in equity and cash flow statement, the summary statement of material accounting policies, and other explanatory information (collectively, the "2023 and 2022 Restated Financial Information") examined by Other Auditor for the said years. The examination report included for the said years is based solely on the examination report submitted by the Other Auditor. They have also confirmed that the 2023 and 2022 Restated Financial Information:
- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended 31 March 2024;
- b) does not require any adjustment for the matters mentioned in paragraph 6(a) above and do not contain any modifications requiring adjustments. However, those qualifications/ adverse remarks in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act and items relating to emphasis of matters, which do not require any corrective adjustments in the Restated Financial Information have been disclosed in Note 57(2) to the Restated Financial Information; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the Other Auditor on the 2023 and 2022 Restated Financial Information, we report that the Restated Financial Information:

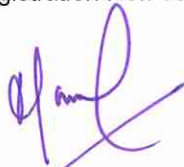


**Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)**  
**Independent Auditor's Examination Report on Restated Financial Information**

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- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended 31 March 2024;
  - b) does not require any adjustment for the matters mentioned in paragraph 6(a) above and do not contain any modifications requiring adjustments. However, those qualifications/ adverse remarks in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) and items relating to emphasis of matters, which do not require any corrective adjustments in the Restated Financial Information have been disclosed in Note 57(2) to the Restated Financial Information; and
  - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of approval of statutory purpose financial statements for the financial years ended 31 March 2024, 31 March 2023 and 31 March 2022 except for effects of the share split and issuance of the bonus shares as described in Note 1 to the Restated Financial Information.
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by the Predecessor Auditor on the statutory purpose financial statements, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of this report.
11. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India and stock exchanges in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. 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.

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



**Rakesh R. Agarwal**  
Partner  
Membership No.: 109632

**UDIN: 24109632BKFBMO2414**

Place: Mumbai  
Date: 24 September 2024

Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)  
Restated Financial Information  
Restated Statement of Assets and Liabilities  
(All amounts in INR million, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>				
<b>Non-current assets</b>				
a) Property, plant and equipment	4A	86.37	91.38	102.80
b) Investment properties	4B	20.69	20.69	20.69
c) Intangible assets	5	2.25	9.43	16.85
d) Right-of-use assets	6	9.43	18.06	6.12
<b>e) Financial assets</b>				
i) Other financial assets	8	336.74	511.91	189.40
f) Deferred tax assets (net)	9	87.58	58.60	36.10
g) Non current tax assets (net)	10	38.84	32.39	45.49
h) Other non-current assets	11	50.62	57.86	38.39
<b>Total non-current assets</b>		<b>632.52</b>	<b>800.32</b>	<b>455.84</b>
<b>Current assets</b>				
a) Inventories	12	507.23	356.56	321.40
<b>b) Financial assets</b>				
i) Investments	7	9.00	8.09	3.90
ii) Trade receivables	13	4,638.96	3,699.07	3,640.32
iii) Cash and cash equivalents	14	0.81	1.23	1.40
iv) Bank balances other than above	15	490.00	143.03	234.20
v) Other financial assets	8	39.85	17.90	47.03
c) Contract assets	16	2,891.64	1,946.36	42.88
d) Other current assets	11	387.93	152.12	51.76
<b>Total current assets</b>		<b>8,965.42</b>	<b>6,324.36</b>	<b>4,342.89</b>
<b>Total assets</b>		<b>9,597.94</b>	<b>7,124.68</b>	<b>4,798.73</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
a) Equity share capital	17	3.32	2.90	2.90
b) Other equity	18	2,909.48	1,308.45	889.22
<b>Total equity</b>		<b>2,912.80</b>	<b>1,311.35</b>	<b>892.12</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>a) Financial liabilities</b>				
i) Borrowings	19	107.03	365.07	368.59
ii) Lease liabilities	20	3.80	7.46	2.67
b) Provisions	24	28.07	21.16	19.06
<b>Total non-current liabilities</b>		<b>138.90</b>	<b>393.69</b>	<b>390.32</b>
<b>Current liabilities</b>				
<b>a) Financial liabilities</b>				
i) Borrowings	19	1,726.88	1,184.18	818.52
ii) Lease liabilities	20	3.56	9.47	3.74
iii) Trade payables				
- Dues of micro and small enterprises	21	482.58	896.38	404.88
- Dues of trade payables other than micro and small enterprises		2,486.65	2,035.70	1,756.89
iv) Other financial liabilities	22	40.90	38.99	1.43
b) Other current liabilities	23	1,520.65	1,034.53	475.29
c) Provisions	24	105.89	164.22	55.54
d) Current tax liabilities (net)	25	179.13	56.17	-
<b>Total current liabilities</b>		<b>6,546.24</b>	<b>5,419.64</b>	<b>3,516.29</b>
<b>Total liabilities</b>		<b>6,685.14</b>	<b>5,813.33</b>	<b>3,906.61</b>
<b>Total equity and liabilities</b>		<b>9,597.94</b>	<b>7,124.68</b>	<b>4,798.73</b>

The accompanying notes 1 to 57 form an integral part of the Restated Financial Information.

This is the Restated Statement of Assets and Liabilities referred to in our examination report of even date

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

Rakesh R. Agarwal  
Partner  
Membership No. : 109632

Place: Mumbai  
Date: 24 September 2024



For and on behalf of the Board of Directors

Rakesh Markhedkar  
Chairman & Managing Director  
DIN : 07009284

Place: Thane  
Date: 24 September 2024

Ashish Bahety  
Chief Financial Officer

Place: Thane  
Date: 24 September 2024

Avinash Markhedkar  
Whole Time Director  
DIN : 03089201

Place: Thane  
Date: 24 September 2024

Kajal Rakholya  
Company Secretary

Place: Thane  
Date: 24 September 2024



Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)  
**Restated Financial Information**  
**Restated Statement of Profit and Loss (including Other Comprehensive Income)**  
 (All amounts in INR million, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>Income</b>				
Revenue from operations	26	7,859.48	5,243.05	4,742.12
Other income	27	54.89	48.74	53.55
<b>Total income</b>		<b>7,914.37</b>	<b>5,291.79</b>	<b>4,795.67</b>
<b>Expenses</b>				
Cost of materials consumed	28	3,849.57	2,664.83	3,037.78
Project related expense	29	1,677.68	961.78	637.44
Employee benefits expense	30	589.63	405.26	336.81
Finance costs	31	319.87	282.16	186.96
Depreciation and amortisation expense	32	40.51	36.98	24.97
Other expenses	33	409.65	414.04	478.15
<b>Total expenses</b>		<b>6,886.91</b>	<b>4,765.05</b>	<b>4,702.11</b>
<b>Profit before exceptional items and tax</b>		<b>1,027.46</b>	<b>526.74</b>	<b>93.56</b>
Exceptional items - gain (net)	34	-	13.04	-
<b>Profit before tax</b>		<b>1,027.46</b>	<b>539.78</b>	<b>93.56</b>
<b>Tax expense / (credit)</b>				
Current tax	35	307.42	134.22	56.69
Deferred tax	9	(28.27)	(22.84)	(29.04)
		<b>279.15</b>	<b>111.38</b>	<b>27.65</b>
<b>Profit for the year (a)</b>		<b>748.31</b>	<b>428.40</b>	<b>65.91</b>
<b>Other comprehensive income / (loss)</b>				
Items that will not be reclassified to profit or loss:				
Remeasurement of post employment benefit obligations		(2.82)	1.33	0.16
Income-tax relating to items that will not be reclassified to statement of profit or loss		0.71	(0.34)	(0.04)
<b>Total other comprehensive income/ (loss) for the year (net of tax) (b)</b>		<b>(2.11)</b>	<b>0.99</b>	<b>0.12</b>
<b>Total comprehensive income for the year (a+b)</b>		<b>746.20</b>	<b>429.39</b>	<b>66.03</b>
<b>Earnings per equity share</b>	36			
Basic earnings per share (in INR)		4.92	2.89	0.45
Diluted earnings per share (in INR)		4.92	2.89	0.45

The accompanying notes 1 to 57 form an integral part of the Restated Financial Information.

This is the Restated Statement of Profit and Loss (including Other Comprehensive Income) referred to in our examination report of even date

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

Rakesh R. Agarwal  
 Partner  
 Membership No. : 109632

Place: Mumbai  
 Date: 24 September 2024



For and on behalf of the Board of Directors

  
 Rakesh Markhedkar  
 Chairman & Managing Director  
 DIN : 07009284

Place: Thane  
 Date: 24 September 2024

  
 Avinash Markhedkar  
 Whole Time Director  
 DIN : 03089201

Place: Thane  
 Date: 24 September 2024



  
 Ashish Bahety  
 Chief Financial Officer

Place: Thane  
 Date: 24 September 2024

  
 Kajal Rakholiya  
 Company Secretary

Place: Thane  
 Date: 24 September 2024

Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)  
Restated Financial Information  
Restated Statement of Cash Flows  
(All amounts in INR million, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax	1,027.46	539.78	93.56
Adjustments for:			
Balances written off/(written back)	(46.50)	2.17	(32.62)
Depreciation and amortisation expense	40.51	36.98	24.97
Finance costs on borrowings and leases	300.71	254.97	186.21
Interest income	(32.94)	(21.00)	(17.06)
Net gain on sale/ change in fair value of mutual fund investments	(0.96)	(0.24)	(0.30)
Gain on sale of property, plant and equipment (net)	-	(0.22)	(0.00)
Inventories written down	5.50	19.30	8.96
Allowance/ (write back) for expected credit loss	51.70	(27.02)	84.23
Exceptional gain (net)	-	(13.04)	-
<b>Operating profit before working capital changes</b>	<b>1,345.48</b>	<b>791.68</b>	<b>347.95</b>
(Increase)/decrease in inventories	(156.30)	(54.40)	(15.56)
(Increase)/decrease in trade receivables	(991.70)	(31.70)	(1,253.34)
(Increase)/decrease in contract assets	(945.20)	(1,903.50)	(6.20)
(Increase)/decrease in other assets	(247.13)	(172.66)	181.10
Increase/(decrease) in trade payables	84.27	783.64	986.27
Increase/(decrease) in other liabilities	488.00	596.74	72.42
Increase/(decrease) in provisions	(51.30)	110.66	(45.09)
<b>Cash generated from/ (used in) operations</b>	<b>(473.88)</b>	<b>120.46</b>	<b>267.55</b>
Income taxes paid (net)	(190.69)	(64.95)	(77.68)
<b>Net cash generated from/ (used in) operating activities - [A]</b>	<b>(664.77)</b>	<b>55.51</b>	<b>189.87</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for purchase of property, plant and equipment and intangible assets (including capital advances and payable for capital goods)	(20.49)	(9.34)	(70.99)
Proceeds from sale of property, plant and equipment	-	0.50	16.35
Purchase of units of mutual funds (net)	-	(4.07)	(0.95)
Maturity/(increase) in fixed deposits (not considered as cash and cash equivalent)	(171.81)	(151.31)	(13.90)
Interest received	32.94	21.00	17.06
<b>Net cash generated from/ (used in) investing activities - [B]</b>	<b>(159.36)</b>	<b>(143.22)</b>	<b>(52.43)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of equity shares (including securities premium)	815.03	-	-
Principal paid on lease liabilities	(9.47)	(7.26)	(3.49)
Interest paid on lease liabilities	(0.94)	(0.79)	(0.61)
Proceeds from long term borrowings	34.76	74.04	204.24
Repayment of long term borrowings	(193.54)	(70.11)	(53.49)
Proceeds from short term borrowings	579.44	378.15	116.78
Repayment of short term borrowings	(62.57)	(40.43)	(259.86)
Dividend paid	(39.20)	(10.16)	(7.99)
Finance costs on borrowings paid	(299.80)	(235.90)	(168.32)
<b>Net cash generated from/ (used in) financing activities - [C]</b>	<b>823.71</b>	<b>87.54</b>	<b>(172.74)</b>
<b>Net (decrease)/ Increase in cash and cash equivalents - [A+B+C]</b>	<b>(0.42)</b>	<b>(0.17)</b>	<b>(35.30)</b>
Cash and cash equivalents at the beginning of the year	1.23	1.40	36.70
<b>Cash and cash equivalents at the end of the year (Refer note 14)</b>	<b>0.81</b>	<b>1.23</b>	<b>1.40</b>
Non-cash financing activity : Conversion of borrowings into equity	79.42	-	-
Non-cash investing activity : Acquisition of right-of-use assets	-	19.67	9.80

Notes:

- Figures in brackets represents outflow of cash and cash equivalents.
- The restated 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".
- Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 19 to the Restated Financial Information.
- The accompanying notes 1 to 57 form an integral part of the Restated Financial Information.

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

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

Rakesh R. Agarwal  
Partner  
Membership No. : 109632

Place: Mumbai  
Date: 24 September 2024



For and on behalf of the Board of Directors

  
Rakesh Markhedkar  
Chairman & Managing Director  
DIN : 07009284

Place: Thane  
Date: 24 September 2024

  
Ashish Bahety  
Chief Financial Officer

Place: Thane  
Date: 24 September 2024

  
Avinash Markhedkar  
Whole Time Director  
DIN : 03089201

Place: Thane  
Date: 24 September 2024

  
Kajal Rakholiya  
Company Secretary

Place: Thane  
Date: 24 September 2024





Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)  
Restated Financial Information  
Restated Statement of Changes in Equity  
(All amounts in INR million, unless otherwise stated)

A. Equity share capital

Particulars	Notes	Number of shares	Amount
Issued, subscribed and fully paid-up Equity shares of INR 10 each			
As at 01 April 2021	17	2,90,378	2.90
Increase/ (decrease) during the year		-	-
As at 31 March 2022	17	2,90,378	2.90
Increase/ (decrease) during the year		-	-
As at 31 March 2023	17	2,90,378	2.90
Increase/ (decrease) during the year		41,651	0.42
As at 31 March 2024	17	3,32,029	3.32

B. Other equity

Particulars	Reserves and surplus		
	Securities premium	Retained earnings	Total
As at 01 April 2021	137.40	693.78	831.18
Profit for the year	-	65.91	65.91
Dividend paid during the year	-	(7.99)	(7.99)
Other comprehensive income / (loss) (net of tax)	-	0.12	0.12
As at 31 March 2022	137.40	751.82	889.22
Profit for the year	-	428.40	428.40
Dividend paid during the year	-	(10.16)	(10.16)
Other comprehensive income / (loss) (net of tax)	-	0.99	0.99
Balance as at 31 March 2023	137.40	1,171.05	1,308.45
Profit for the year	-	748.31	748.31
Dividend paid during the year	-	(39.20)	(39.20)
Securities premium on equity shares issued during the year	894.03	-	894.03
Other comprehensive income / (loss) (net of tax)	-	(2.11)	(2.11)
Balance as at 31 March 2024	1,031.43	1,878.05	2,909.48

Nature of reserves:

i) Securities premium

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

ii) Retained earnings

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

The accompanying notes 1 to 57 form an integral part of the Restated Financial Information.

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

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

Rakesh R. Agarwal  
Partner  
Membership No.: 109632

Place: Mumbai  
Date: 24 September 2024



For and on behalf of the Board of Directors

Rakesh Markhedkar  
Chairman & Managing Director  
DIN : 07009284

Place: Thane  
Date: 24 September 2024

Avinash Markhedkar  
Whole Time Director  
DIN : 03089201

Place: Thane  
Date: 24 September 2024



Ashish Bahety  
Chief Financial Officer

Place: Thane  
Date: 24 September 2024

Kajal Rakholiya  
Company Secretary

Place: Thane  
Date: 24 September 2024

**Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)  
Notes to the Restated Financial Information**

**Corporate Information**

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

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

**1) Basis of preparation**

The Restated Financial Information comprises of the Restated Statement of Asset and Liabilities as at 31 March 2024, 31 March 2023 and 31 March 2022, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 and the notes comprising material accounting policies and other explanatory information (collectively referred to as "Restated Financial Information").

The Restated Financial Information comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Act, Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

The Restated Financial Information has been approved by the Board of Directors of the Company at their meeting held on 24 September 2024 and has been specifically prepared by the management for inclusion in the Draft Red Herring Prospectus ("DRHP") to be filed by the Company with Securities and Exchange Board of India ("SEBI"), the National Stock Exchange of India Limited and BSE Limited (collectively, the 'Stock Exchanges') in connection with the proposed Initial Public Offer ("IPO") of Company's equity shares of face value of INR 1 each (referred to as the 'Offer'). The Restated Financial Information has been prepared by the management of the Company to comply in all material respects with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ('the Act') as amended from time to time;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Restated Financial Information have been compiled from the audited special purpose Ind AS financial statements as at and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 prepared in accordance with the Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other recognised accounting practices and policies generally accepted in India including the requirements of the Act. The special purpose Ind AS financial statements for the year ended 31 March 2024 were approved by the Board of Directors on 24 September 2024.

The special purpose Ind AS financial statements for the years ended 31 March 2023 and 31 March 2022 were approved by the Board of Directors on 05 August 2024 and have been prepared using the financial statements which were earlier prepared in accordance with Accounting Standards prescribed under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India (hereinafter referred to as 'Indian GAAP financial statements') for the respective aforementioned periods, being the applicable financial reporting framework of the Company in such periods. The said audited Indian GAAP financial statements have been adjusted for the differences in the accounting principles on transition to Ind AS, as per the requirements of Ind AS 101, First-time Adoption of the Indian Accounting Standards ("Ind AS 101"). Such audited Indian GAAP financial statements for the years ended 31 March 2023 and 31 March 2022 were approved by the Board of Directors at their meeting held on 28 August 2023 and 11 August 2022, respectively.

The Company has transitioned to Ind AS in the financial year ended 31 March 2024 and accordingly has also prepared a separate set of financial statements for the year ended 31 March 2024 in accordance with Indian Accounting Standards as specified under Companies (Indian Accounting Standards) Rules 2015 prescribed by Section 133 of the Act using 01 April 2022 as transition date for the statutory requirements under section 129 of the Act, in accordance with the roadmap on transition to Ind AS applicable to companies as announced by the Ministry of Corporate Affairs and specified in Rule 4



**Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)**  
**Notes to the Restated Financial Information**

of Companies (Indian Accounting Standards) 2015. Such statutory purpose financial statements were approved by the Board of Directors at their meeting held on 07 August 2024.

However, in accordance with the general directions issued by the SEBI dated 28 October 2021 to Association of Investment Banker of India, the transition date considered for the purpose of Special Purpose Ind AS Financial Statements for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 is 01 April 2021, which is different from the transition date (i.e., 01 April 2022) adopted by the Company for the preparation of first Ind AS compliant financial statements for the year ended 31 March 2024 under section 129 of the Act. Accordingly, the Company has applied the accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as on 01 April 2021 for these Special Purpose Ind AS financial statements.

The accounting policies have been consistently applied by the Company in preparation of the Restated Financial Information and are consistent with those adopted in the preparation of the special purpose Ind AS financial statements as at and for the year ended 31 March 2024.

Subsequent to 31 March 2024, 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"). Further, 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. The record date for the said purpose was fixed as 23 August 2024. As required under Ind AS 33 - "Earnings per share", the effect of such split and bonus is adjusted to the weighted average number of equity shares outstanding during the reporting periods for the purpose of computing earnings per share for all the period presented retrospectively. As a result, the effect of such split and bonus has been considered in this restated financial information for the purpose of calculating earnings per share (Refer Note 36 of the Restated Financial Information).

This Restated Financial Information does not reflect the impact of any subsequent events or changes in estimates from the respective dates of the Board of Directors meetings held for the adoption of the statutory purpose financial statements for the respective financial years, except for the effects of share split and issuance of bonus shares, as explained above.

The Restated Financial Information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:

- a) Adjustments to the profits or losses of the earlier periods and of the period in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods, if any;
- b) Adjustments for reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the groupings as per the special purpose Ind AS financial statements as at and for the year ended 31 March 2024 and the requirements of the ICDR Regulations, if any; and
- c) The resultant impact of tax due to the aforesaid adjustments, if any.

The Restated Financial Information has been prepared using going concern assumption and on a historical cost convention, except for certain financial assets and liabilities and defined benefit obligations, which are measured at fair value.

The Restated Financial Information is presented in Indian Rupee (INR), which is also the Company's functional currency. All amounts disclosed in the Restated Financial Information and notes thereto have been rounded off to the nearest million, unless otherwise stated. Any amount appearing in restated financial information as '0.00' represent amount less than INR 5,000.

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.

The Restated Financial Information do not require any adjustment for modifications. The audit observations which do not require any corrective adjustments in the Restated Financial Information have been disclosed in Note 57(2).

**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



**Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)**  
**Notes to the Restated Financial Information**

government. Accruals for variable considerations are estimated based on accumulated experience and underlying agreements with customers.

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

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

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

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

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

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

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

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets in the restated statement of assets and liabilities. 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 restated statement of assets and liabilities.

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



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**Notes to the Restated Financial Information**

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

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

**b) Taxes**

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

**(i) Current income tax:**

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

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

**(ii) Deferred tax:**

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

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

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

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

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

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

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

**c) Property, Plant and Equipment**

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

The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment.



**Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)**  
**Notes to the Restated Financial Information**

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 Restated statement of profit and loss as and when incurred.

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

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

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

**d) Investment properties**

Investment properties are held to earn rentals or for capital appreciation, or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in restated statement of profit and loss as incurred.

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

**e) Intangible assets**

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

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

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

**f) Inventories**

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

**g) Cash and cash equivalents**

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

**h) Borrowing costs**

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

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



**Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)**  
**Notes to the Restated Financial Information**

**i) Impairment of non-financial assets**

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

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

**j) Leases**

**Company as a lessee**

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

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

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

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

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

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

The Company has elected to use the exemptions proposed by the standard on lease contracts for which the lease terms 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 restated statement of profit and loss.

**k) Financial Instruments**

**Initial recognition and measurement**

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

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in restated 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.



**Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)**  
**Notes to the Restated Financial Information**

**i. Financial assets**

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

**Subsequent measurement**

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

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

**Financial assets measured at amortised cost**

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

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

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

The EIR amortisation is included in other income in the restated statement of profit and loss. The losses arising from impairment are recognised in the restated 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 restated statement of profit and loss.

**De-recognition**

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

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

**Impairment of financial assets**

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

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





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

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

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

**ii. Financial liabilities**

**Subsequent measurement**

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

**Financial liabilities at amortised cost**

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in restated 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 restated 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 restated statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

**l) Provisions (other than employee benefits)**

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



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

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

**m) Provision for warranty**

The estimated liability for warranty is recorded at the commencement of defect liability period. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence 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 restated financial information. However, contingent assets are assessed continuously and if it is virtually certain that an inflow of economic benefits will arise, the assets and the related income are recognised in the period in which the change occurs. Contingent assets are disclosed where an inflow of economic benefits is probable.

**o) Employee Benefits**

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

**Defined Contribution Plan:**

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

**Defined benefit plan:**

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

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

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.

**p) Earnings Per Share**

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

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



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

**2.1 Key accounting estimates and judgements**

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

**(i) Deferred income taxes**

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

**(ii) Revenue recognition**

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

**(iii) Current income taxes**

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

**(iv) Accounting for defined benefit plans**

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



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(v) Impairment

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

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

(vi) Foreseeable losses

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

(vii) Expected credit loss

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

(viii) Fair value of financial instruments

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

(ix) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each 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. 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 discount rate. The Company revises the lease term if there is a change in non-cancellable period of a lease.

**3) Standards issued but not yet effective**

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



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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
<b>Gross carrying amount</b>											
As at 01 April 2021	7.30	27.92	0.38	6.72	7.79	14.76	4.44	11.32	13.24	1.84	95.71
Additions	-	-	6.70	4.98	-	1.93	30.89	1.35	0.67	1.20	47.72
Disposals / deletions	-	-	-	-	-	-	-	(0.71)	-	(0.12)	(0.83)
As at 31 March 2022	7.30	27.92	7.08	11.70	7.79	16.69	35.33	11.96	13.91	2.92	142.60
Additions	-	-	0.35	0.31	-	2.89	4.79	0.91	0.55	0.69	10.49
Disposals / deletions	-	-	-	-	-	-	-	-	(1.07)	-	(1.07)
As at 31 March 2023	7.30	27.92	7.43	12.01	7.79	19.58	40.12	12.87	13.39	3.61	152.02
Additions	-	-	-	2.29	1.94	5.58	5.97	2.14	0.12	1.40	19.44
Disposals	-	-	-	-	-	-	-	-	(0.06)	-	(0.06)
As at 31 March 2024	7.30	27.92	7.43	14.30	9.73	25.16	46.09	15.01	13.45	5.01	171.30
<b>Accumulated depreciation</b>											
As at 01 April 2021	-	2.37	0.00	0.79	3.05	6.99	3.01	3.82	4.71	0.94	25.68
Depreciation charge for the year	-	0.44	0.86	0.59	0.73	3.40	4.96	1.28	1.49	0.37	14.12
Reversal on disposals / deletions	-	-	-	-	-	-	-	(0.00)	-	(0.00)	(0.00)
As at 31 March 2022	-	2.81	0.86	1.38	3.78	10.39	7.97	5.10	6.20	1.31	39.80
Depreciation charge for the year	-	0.44	2.24	0.76	0.72	3.28	11.23	1.06	1.49	0.51	21.73
Reversal on disposals / deletions	-	-	-	-	-	-	-	-	(0.89)	-	(0.89)
As at 31 March 2023	-	3.25	3.10	2.14	4.50	13.67	19.20	6.16	6.80	1.82	60.64
Depreciation charge for the year	-	0.44	2.35	0.84	0.84	4.06	12.36	1.27	1.50	0.66	24.32
Reversal on disposals	-	-	-	-	-	-	-	-	(0.03)	-	(0.03)
As at 31 March 2024	-	3.69	5.45	2.98	5.34	17.73	31.56	7.43	8.27	2.48	84.93
<b>Net carrying amount</b>											
As at 31 March 2022	7.30	25.11	6.22	10.32	4.01	6.30	27.36	6.86	7.71	1.61	102.80
As at 31 March 2023	7.30	24.67	4.33	9.87	3.29	5.91	20.92	6.72	6.59	1.79	91.38
As at 31 March 2024	7.30	24.23	1.98	11.32	4.39	7.43	14.53	7.58	5.18	2.53	86.37

Notes:

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



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**Notes to the Restated Financial Information**

(All amounts in INR million, unless otherwise stated)

**Note 4B: Investment properties**

<b>Particulars</b>	<b>Amount</b>
<b>Gross carrying amount</b>	
Balance as at 01 April 2021	20.69
Additions	-
Balance as at 31 March 2022	20.69
Additions	-
Balance as at 31 March 2023	20.69
Additions	-
Balance as at 31 March 2024	20.69
<b>Accumulated depreciation</b>	
Balance as at 01 April 2021	-
Depreciation charge for the year	-
Balance as at 31 March 2022	-
Depreciation charge for the year	-
Balance as at 31 March 2023	-
Depreciation charge for the year	-
Balance as at 31 March 2024	-
<b>Net carrying amount:</b>	
As at 31 March 2022	20.69
As at 31 March 2023	20.69
As at 31 March 2024	20.69

**Notes:**

i) Investment properties of the Company comprise of land in respect of which the work towards its development has not been started as at the reporting dates.

ii) On transition to Ind AS, the Company has elected to continue with the carrying value of all investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

iii) The title deeds of all the investment properties are held in the name of the Company as at the reporting dates.

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

v) The Company has no restrictions on the realisability of its investment properties and does not have any contractual obligations to purchase, construct or develop the investment properties or for repairs, maintenance and enhancements.

vi) As at 31 March 2024, 31 March 2023 and 31 March 2022, the fair value of the investment properties is INR 269.60 million, INR 237.30 million and INR 201.80 million, respectively. These valuations are 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
<b>Gross carrying amount</b>		
As at 01 April 2021	1.88	1.88
Additions	23.28	23.28
<b>As at 31 March 2022</b>	<b>25.16</b>	<b>25.16</b>
Additions	0.10	0.10
<b>As at 31 March 2023</b>	<b>25.26</b>	<b>25.26</b>
Additions	0.38	0.38
<b>As at 31 March 2024</b>	<b>25.64</b>	<b>25.64</b>
<b>Accumulated amortisation</b>		
As at 01 April 2021	1.14	1.14
Amortisation charge for the year	7.17	7.17
<b>As at 31 March 2022</b>	<b>8.31</b>	<b>8.31</b>
Amortisation charge for the year	7.52	7.52
<b>As at 31 March 2023</b>	<b>15.83</b>	<b>15.83</b>
Amortisation charge for the year	7.56	7.56
<b>As at 31 March 2024</b>	<b>23.39</b>	<b>23.39</b>
<b>Net carrying amount</b>		
As at 31 March 2022	16.85	16.85
As at 31 March 2023	9.43	9.43
As at 31 March 2024	2.25	2.25

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



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

Particulars	Leased premises	Total
<b>Gross carrying amount</b>		
As at 01 April 2021	-	-
Additions (Refer note (ii) below)	9.80	9.80
As at 31 March 2022	9.80	9.80
Additions	19.67	19.67
As at 31 March 2023	29.47	29.47
Additions	-	-
As at 31 March 2024	29.47	29.47
<b>Accumulated depreciation</b>		
As at 01 April 2021	-	-
Depreciation charge for the year	3.68	3.68
As at 31 March 2022	3.68	3.68
Depreciation charge for the year	7.73	7.73
As at 31 March 2023	11.41	11.41
Depreciation charge for the year	8.63	8.63
As at 31 March 2024	20.04	20.04
<b>Net carrying amount</b>		
As at 31 March 2022	6.12	6.12
As at 31 March 2023	18.06	18.06
As at 31 March 2024	9.43	9.43

**Notes:**

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





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**Note 7: Investments**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Current</b>			
- Units of mutual funds*	9.00	8.09	3.90
<b>Total</b>	<b>9.00</b>	<b>8.09</b>	<b>3.90</b>
Aggregate amount of quoted investments and market value thereof	-	-	-
Aggregate amount of unquoted investments	9.00	8.09	3.90
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	9.00	8.09	3.90

\* Includes INR 3.30 million (31 March 2023: INR 2.70 million and 31 March 2022: INR 2.70 million) given as collaterals against borrowings taken by the Company.

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

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

**Note 8: Other financial assets**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Non-current (Unsecured, considered good)</b>			
Indirect taxes refund receivable	80.00	80.00	-
Bank deposits having remaining maturity of more than 12 months*	256.74	431.91	189.40
	<b>336.74</b>	<b>511.91</b>	<b>189.40</b>
<b>Current (Unsecured, considered good)</b>			
Security deposits**	7.01	5.88	9.18
Interest accrued but not due	8.71	4.99	24.91
Earnest money deposits (EMD)**	17.23	1.88	2.24
Other receivables^	6.90	5.15	10.70
	<b>39.85</b>	<b>17.90</b>	<b>47.03</b>

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

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

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



Note 9: Deferred tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Deferred tax liabilities arising on account of :</b>			
Temporary differences between book and tax balance of property, plant and equipment	-	0.90	3.10
Temporary differences between right of use assets and lease liability	0.50	0.30	-
	<b>0.50</b>	<b>1.20</b>	<b>3.10</b>
<b>Deferred tax assets arising on account of</b>			
Expense allowable on payment basis	58.60	45.40	17.90
Expected credit loss	27.48	14.40	21.20
Temporary differences between book and tax balance of property, plant and equipment	2.00	-	-
Temporary differences between right of use assets and lease liability	-	-	0.10
	<b>86.08</b>	<b>59.80</b>	<b>39.20</b>
<b>Net deferred tax assets</b>	<b>87.58</b>	<b>58.60</b>	<b>36.10</b>

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

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

Particulars	Opening balance as at 01 April 2023	(Charged) / credited to P&L	(Charged) / credited to OCI	Closing balance as at 31 March 2024
<b>Deferred tax liability arising on account of</b>				
On timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	0.90	(0.90)	-	-
Temporary differences between right of use assets and lease liability	0.30	0.20	-	0.50
	<b>1.20</b>	<b>(0.70)</b>	<b>-</b>	<b>0.50</b>
<b>Deferred tax asset arising on account of</b>				
Expense allowable on payment basis	45.40	12.49	0.71	58.60
Expected credit loss	14.40	13.08	-	27.48
On timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	-	2.00	-	2.00
	<b>59.80</b>	<b>27.57</b>	<b>0.71</b>	<b>88.08</b>
<b>Deferred tax assets (net)</b>	<b>58.60</b>	<b>28.27</b>	<b>0.71</b>	<b>87.58</b>

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

Particulars	Opening balance as at 01 April 2022	(Charged) / credited to P&L	(Charged) / credited to OCI	Closing balance as at 31 March 2023
<b>Deferred tax liabilities arising on account of</b>				
On timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	3.10	(2.20)	-	0.90
Temporary differences between right of use assets and lease liability	(0.10)	0.40	-	0.30
	<b>3.00</b>	<b>(1.80)</b>	<b>-</b>	<b>1.20</b>
<b>Deferred tax assets arising on account of</b>				
Expense allowable on payment basis	17.90	27.84	(0.34)	45.40
Expected credit loss	21.20	(6.80)	-	14.40
	<b>39.10</b>	<b>21.04</b>	<b>(0.34)</b>	<b>59.80</b>
<b>Deferred tax assets (net)</b>	<b>36.10</b>	<b>22.84</b>	<b>(0.34)</b>	<b>58.60</b>

(c) Movement in deferred tax assets and deferred tax liabilities from 01 April 2021 to 31 March 2022

Particulars	Opening balance as at 01 April 2021	(Charged) / credited to P&L	(Charged) / credited to OCI	Closing balance as at 31 March 2022
<b>Deferred tax liabilities arising on account of</b>				
On timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	2.40	0.70	-	3.10
Temporary differences between right of use assets and lease liability	-	(0.10)	-	(0.10)
	<b>2.40</b>	<b>0.60</b>	<b>-</b>	<b>3.00</b>
<b>Deferred tax assets arising on account of</b>				
Expense allowable on payment basis	9.50	8.44	(0.04)	17.90
Expected credit loss	-	21.20	-	21.20
	<b>9.50</b>	<b>29.64</b>	<b>(0.04)</b>	<b>39.10</b>
<b>Deferred tax assets (net)</b>	<b>7.10</b>	<b>29.04</b>	<b>(0.04)</b>	<b>36.10</b>



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Note 10: Non-current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Advance tax (net)	38.84	32.39	45.49
	<b>38.84</b>	<b>32.39</b>	<b>45.49</b>

Note: The above amounts are net off provisions of INR 309.10 million (31 March 2023: INR 174.90 million and 31 March 2022: INR 231.60 million) respectively.

Note 11: Other assets

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Non - current:</b>			
Prepaid expenses	50.62	57.86	38.39
	<b>50.62</b>	<b>57.86</b>	<b>38.39</b>
<b>Current:</b>			
Advances to employees (Unsecured, considered good)	24.08	11.42	5.26
Prepaid expenses	54.42	25.97	17.15
Advances to suppliers and sub-contractors (Unsecured, considered good)	171.31	54.99	23.38
Balances with government authorities (net)	138.12	59.74	5.97
	<b>387.93</b>	<b>152.12</b>	<b>51.76</b>

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

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Construction materials	482.16	201.53	199.40
Stores and spare parts	16.41	8.55	3.40
Goods in transit	8.66	146.48	118.60
	<b>507.23</b>	<b>356.56</b>	<b>321.40</b>

Note: Inventories provided/written off during the year ended 31 March 2024: INR 5.50 million (31 March 2023: INR 19.30 million, 31 March 2022: INR 8.96 million). These amounts are recognised as an expense in the restated statement of profit and loss.



Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)  
Notes to the Restated Financial Information  
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Note 13: Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Unsecured:</b>			
Considered good:			
- Receivable from related party (Refer note 41)	16.64	-	-
- Others (Refer note 13.1)	4,622.32	3,699.07	3,640.32
Credit impaired	109.00	57.20	84.22
	4,747.96	3,756.27	3,724.54
Less: Expected credit loss allowance (Refer note 13.2)	(109.00)	(57.20)	(84.22)
<b>Total</b>	<b>4,638.96</b>	<b>3,699.07</b>	<b>3,640.32</b>
<b>Sub-classification of trade receivables</b>			
Considered good - secured	-	-	-
Considered good - unsecured	4,638.96	3,699.07	3,640.32
Significant increase in credit risk	-	-	-
Credit impaired	109.00	57.20	84.22
Less: Expected credit loss allowance	(109.00)	(57.20)	(84.22)
	4,638.96	3,699.07	3,640.32

**Notes:**

(a) Trade receivable includes an amount of INR 16.64 million (31 March 2023 : Nil and 31 March 2022 : Nil) from a entity in which one of the directors is a partner.

(b) Trade receivables includes retention money amounting to INR 1,106.30 million (31 March 2023 : INR 555.60 million and 31 March 2022 : INR 980.30 million).

**Note 13.1:** Trade receivables as at 31 March 2024 includes amount from a customer amounting to INR 292.90 million (31 March 2023: INR 202.30 million). The said customer has invoked the performance guarantee and short closed the project in the month of April 2023. The Company has filed a claim for recovery of dues from the customer in the commercial court Jaipur during the current year and the matter is currently pending for disposal. Management, based on the contractual tenability of their claim and legal opinion obtained, is confident of recovering such amount and hence the same is considered good of recovery as at the reporting date, and also no liability is likely to arise for the Company on the aforesaid matter and accordingly, no adjustments have been made to the restated financial information in this respect.

**Note 13.2: Movement in expected credit loss allowance :**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	57.20	84.22	-
Add: Allowance made during the year	51.80	-	84.22
Less: Reversal of allowance/ amounts written back	-	(27.02)	-
<b>Balance at the end of the year</b>	<b>109.00</b>	<b>57.20</b>	<b>84.22</b>



Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)  
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Trade receivables ageing (excluding expected credit loss allowance)

As at 31 March 2024

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	3,875.44	315.83	63.27	64.70	11.62	15.29	4,346.15
(ii) Undisputed trade receivables - credit impaired	3.97	3.68	6.97	20.96	11.61	61.72	108.91
(iii) Disputed trade receivables - considered good	-	-	-	292.90	-	-	292.90
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>3,879.41</b>	<b>319.51</b>	<b>70.24</b>	<b>378.56</b>	<b>23.23</b>	<b>77.01</b>	<b>4,747.96</b>

As at 31 March 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	3,330.46	289.60	24.31	-	-	-	3,644.37
(ii) Undisputed trade receivables - credit impaired	-	-	2.00	31.53	15.37	8.29	57.19
(iii) Disputed trade receivables - considered good	-	-	-	-	54.71	-	54.71
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>3,330.46</b>	<b>289.60</b>	<b>26.31</b>	<b>31.53</b>	<b>70.08</b>	<b>8.29</b>	<b>3,756.27</b>

As at 31 March 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	2,316.65	1,052.42	49.90	98.54	0.92	8.20	3,526.63
(ii) Undisputed trade receivables - credit impaired	2.32	10.36	4.98	32.85	0.92	32.79	84.22
(iii) Disputed trade receivables - considered good	-	-	-	113.69	-	-	113.69
(iv) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>2,318.97</b>	<b>1,062.78</b>	<b>54.88</b>	<b>245.08</b>	<b>1.84</b>	<b>40.99</b>	<b>3,724.54</b>

Note 14: Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balances with banks in current accounts	0.14	1.03	1.00
Cash on hand	0.67	0.20	0.40
<b>Total</b>	<b>0.81</b>	<b>1.23</b>	<b>1.40</b>

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



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**Note 15: Bank balances other than cash and cash equivalents**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
In deposits accounts	490.00	143.03	234.20
<b>Total</b>	<b>490.00</b>	<b>143.03</b>	<b>234.20</b>

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

**Note 16: Contract assets (unbilled work in progress)**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Contract assets (unbilled work in progress)	2,891.64	1,946.36	42.88
	<b>2,891.64</b>	<b>1,946.36</b>	<b>42.88</b>

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



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Note 17: Equity share capital

Authorised share capital:

Equity shares of INR 10 each	Number	Amount
Balance as at 31 March 2021	5,00,000	5.00
Change during the year	-	-
Balance as at 31 March 2022	5,00,000	5.00
Change during the year	-	-
Balance as at 31 March 2023	5,00,000	5.00
Change during the year	-	-
Balance as at 31 March 2024	5,00,000	5.00

Issued, subscribed and fully paid-up:

Equity shares of INR 10 each	Number	Amount
Balance as at 31 March 2021	2,90,378	2.90
Issued during the year	-	-
Balance as at 31 March 2022	2,90,378	2.90
Issued during the year	-	-
Balance as at 31 March 2023	2,90,378	2.90
Issued during the year*	41,651	0.42
Balance as at 31 March 2024	3,32,029	3.32

\* Details of shares issued during the year

S. No.	Date of issue	Number	Face value (in INR)	Securities premium (in INR)	Total amount (excluding securities premium)	Total amount (including securities premium)
i.	25 January 2024	20,696*	10.00	21,465.11	0.21	444.45
ii.	16 January 2024	20,955	10.00	21,465.11	0.21	450.00

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

a) Terms and rights attached to equity shares

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

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

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

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

c) Details of equity shares held by promoters

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

d) % change in promoters shareholding

Particulars	% change during the year ended 31 March 2024 ^	% change during the year ended 31 March 2023	% change during the year ended 31 March 2022
Deb Suppliers & Traders Private Limited	-6.26%	-	-
Farista Financial Consultants Private Limited	-6.24%	-	-
Rakesh Markhedkar	-0.04%	-	-



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

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

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

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

**Note 18: Other equity**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Securities premium	1,031.43	137.40	137.40
Retained earnings	1,878.05	1,171.05	751.82
<b>Total</b>	<b>2,909.48</b>	<b>1,308.45</b>	<b>889.22</b>

**(i) Securities premium**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	137.40	137.40	137.40
On issue of equity shares	894.03	-	-
<b>Balance at the end of the year</b>	<b>1,031.43</b>	<b>137.40</b>	<b>137.40</b>

**(ii) Retained earnings**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	1,171.05	751.82	693.78
Profit for the year	748.31	428.40	65.91
Dividend paid during the year (Refer note 44)	(39.20)	(10.16)	(7.99)
Items of other comprehensive income recognised in retained earnings (net of tax)	(2.11)	0.99	0.12
<b>Balance at the end of the year</b>	<b>1,878.05</b>	<b>1,171.05</b>	<b>751.82</b>





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Note 19: Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Non-current - at amortised cost</b>			
<b>Secured</b>			
Term loans			
- from banks	152.85	186.09	207.13
Less: Current maturities of long-term borrowings	(55.17)	(36.72)	(23.27)
	97.68	149.37	183.86
Vehicle loans			
- from banks	0.49	0.76	0.96
- from financial institution	-	0.43	1.64
Less: Current maturities of long-term borrowings	(0.28)	(0.65)	(1.45)
	0.21	0.54	1.15
<b>Unsecured</b>			
Working capital loans			
- from banks	17.08	22.22	13.43
- from financial institution	28.23	34.25	25.54
Less: Current maturities of long-term borrowings	(36.17)	(38.52)	(25.53)
	9.14	17.95	13.44
Loan from related party [Refer note 6(i) below]	-	197.21	170.14
	107.03	365.07	368.59
<b>Current - at amortised cost</b>			
<b>Secured</b>			
Current maturities of long-term borrowings	55.45	37.37	24.71
Cash credit facilities	1,169.77	837.71	645.06
Supplier bills discounted			
- from financial institution	373.68	251.79	97.67
	1,598.90	1,126.87	767.44
<b>Unsecured</b>			
Current maturities of long-term borrowings	38.17	38.52	25.53
Working capital loans:			
- from banks	3.91	2.91	-
- from financial institution	81.80	14.55	25.55
Supplier bills discounted:			
- from financial institution	6.10	-	-
Loan from related party [Refer note 6(ii) below]	-	1.33	-
	127.98	57.31	51.08
	1,726.88	1,184.18	818.52

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

1) Term loan from banks :

(i) Term loan from banks includes working capital term loans/general business requirement loans carrying variable interest rate ranging from 7.55% p.a. to 9.53% p.a. linked to MCLR with agreed interest rate reset clause and is repayable in 60 to 72 equal monthly instalments along with interest, up to 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 is also secured by certain office premises, land, fixed deposits and mutual funds investments of the Company.

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

2) Vehicle loan from banks and financial Institution:

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

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

3) Cash credit facilities

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

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

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

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

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

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

6) Loan from related parties:

(i) Loan taken from Vikran Global InfraProjects Private Limited amounting to Nil as on 31 March 2024 (31 March 2023: INR 197.21 million and 31 March 2022: INR 170.14 million) which carried interest rate of 10.00% p.a. In the current year, pursuant to settlement agreement, the same has been partly converted into 3,700 equity shares at INR 21,475.11 each (including securities premium of INR 21,465.11 each) and remaining amount has been repaid.

(ii) Loan taken from Rakesh Markhedkar HUF amounting to Nil as on 31 March 2024 (31 March 2023: INR 1.33 million and 31 March 2022: Nil) carried interest rate of 18% p.a. and repayable on demand. The same has been repaid in the current year.

7) Supplier bills discounted (secured and unsecured):

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

**Secured:**

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

**Unsecured:**

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



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

Name of the bank	Working capital limits sanctioned	Nature of current assets held as security	Quarter ended	Particulars of securities provided	Amount disclosed as per return	Amount as per books of accounts	Difference*
Consortium of banks	1,300.00	All the current assets of the Company	June 2023	Inventories	473.02	440.72	32.30
				Trade receivables	4,629.56	4,488.98	140.58
	1,300.00		September 2023	Inventories	540.99	496.19	44.80
				Trade receivables	4,069.11	4,042.43	26.68
	1,300.00		December 2023	Inventories	566.59	513.47	53.12
				Trade receivables	3,823.89	3,790.44	33.45
	1,300.00		March 2024	Inventories	511.24	507.28	3.96
				Trade receivables	6,490.36	6,163.68	326.68

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

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

Name of the bank	Working capital limits sanctioned	Nature of current assets held as security	Quarter ended	Particulars of securities provided	Amount disclosed as per return	Amount as per books of accounts	Difference**
Consortium of banks	890.00	All the current assets of the Company	June 2022	Inventories	298.87	288.62	(10.25)
				Trade receivables	2,770.34	2,781.59	11.24
	890.00		September 2022	Inventories	338.16	329.17	(8.99)
				Trade receivables	2,109.87	2,012.90	(96.97)
	890.00		December 2022	Inventories	302.79	294.55	(8.24)
				Trade receivables	1,963.45	1,876.83	(86.61)
	890.00		March 2023	Inventories	281.42	277.17	(4.25)
				Trade receivables	5,682.13	5,515.50	(166.63)

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

b)(iii) The quarterly returns/statements of current assets filed by the Company with bank is in agreement with the books of accounts for the quarters of the year ended 31 March 2022 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 accounts	Difference***
Consortium of banks	790.00	All the current assets of the Company	June 2021	Inventories	329.16	319.53	(9.63)
				Trade receivables	2,176.27	2,150.51	(25.76)
	790.00		September 2021	Inventories	445.42	445.84	0.42
				Trade receivables	1,661.54	1,633.55	(27.99)
	790.00		December 2021	Inventories	291.08	290.02	(1.06)
				Trade receivables	2,084.08	2,054.48	(29.60)
	790.00		March 2022	Inventories	228.12	321.41	93.29
				Trade receivables	3,750.30	3,685.35	(64.95)

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

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

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



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

Particulars	As at 01 April 2023	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2024
				Interest accrued	Other changes	
Equity share capital (Refer note (i) below)	2.90	0.38	-	-	0.04	3.32
Securities premium (Refer note (i) below)	137.40	814.61	-	-	79.42	1,031.43
Long-term borrowings (excluding current maturities)	440.96	34.76	(193.54)	-	(79.42)	198.66
Lease liabilities (Refer note (ii) below)	16.93	-	(10.41)	0.94	(0.10)	7.36
Short-term borrowings (Refer note (i) below)	1,108.28	579.44	(62.57)	0.00	6.00	1,635.25

Particulars	As at 01 April 2022	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2023
				Interest accrued	Other changes	
Equity share capital	2.90	-	-	-	-	2.90
Securities premium	137.40	-	-	-	-	137.40
Long-term borrowings (including current maturities)	418.85	74.04	(70.11)	18.18	-	440.96
Lease liabilities (Refer note (ii) below)	6.41	-	(8.04)	0.79	17.68	16.93
Short-term borrowings (Refer note (i) below)	768.36	378.15	(40.43)	-	2.20	1,108.28

Particulars	As at 01 April 2021	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2022
				Interest accrued	Other changes	
Equity share capital	2.90	-	-	-	-	2.90
Securities premium	137.40	-	-	-	-	137.40
Long-term borrowings (including current maturities)	250.51	204.24	(53.49)	17.56	-	418.85
Lease liabilities (Refer note (ii) below)	-	-	-	-	6.41	6.41
Short-term borrowings (Refer note (i) below)	911.43	116.78	(259.86)	-	-	768.26

Notes :  
(i) Other changes in equity share capital and securities premium is on account of equity shares issued during the year for consideration other than cash.  
(ii) Other changes in borrowings is account of amortisation of ancillary borrowing cost and conversion of borrowings into equity during the year ended 31 March 2024 and on account of of amortisation of ancillary borrowing cost during the year ended 31 March 2023.  
(iii) Other changes in lease liabilities is on account of lease liabilities recognised in accordance with Ind AS 116 in the respective years including other adjustments thereon in lease liabilities.

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

(i) For the year ended 31 March 2023:

Nature of borrowing	Name of lender	Principal and/or interest not paid on due date	Range of number of days of delay
Working capital loan	Kotak Mahindra Bank	1.48	Less than 30 days
	IDFC First Bank Limited	2.20	Less than 30 days
	Axis Bank Limited	0.67	Less than 30 days
	Axis Bank Limited	2.71	30 to 45 days
	Unity Small Finance Bank Limited	1.85	Less than 30 days
	HDFC Bank Limited	0.24	Less than 30 days
	Fedbank Financial Services Limited	2.46	Less than 30 days
	Clix Capital Services	0.44	Less than 30 days
	Tata Capital Financial Services	0.94	Less than 30 days
	Moneywise Financial services	2.20	Less than 30 days
	Accura Capital Private Limited	0.75	Less than 30 days
	Ribbon Capital Private Limited	3.60	Less than 30 days
	Mangal Credit & Fincorp Limited	0.50	Less than 30 days
	Credit Trade Link	26.50	Less than 30 days
Supplier bills discounted	Invoice Mart	24.34	Less than 30 days
	M1 Exchange	2.25	Less than 30 days
	RXIL	39.67	Less than 30 days

Note 20: Lease Liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Non-current			
Lease liabilities (Refer note 38)	3.80	7.46	2.67
	3.80	7.46	2.67
Current			
Lease liabilities (Refer note 38)	3.56	9.47	3.74
	3.56	9.47	3.74



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Note 21: Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Dues to :			
- Micro enterprises and small enterprises (MSE)	482.58	896.38	404.88
- Trade payables other than MSE	2,486.65	2,035.70	1,756.89
<b>Total</b>	<b>2,969.23</b>	<b>2,932.08</b>	<b>2,161.77</b>

(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 574.30 million (31 March 2023 : INR 356.60 million and 31 March 2022: INR 235.50 million)

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 2024	As at 31 March 2023	As at 31 March 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount due to micro and small enterprises	457.59	868.03	394.90
- Interest due on above	25.04	28.35	10.00
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	17.60	20.37	0.58
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	25.04	28.35	10.00
(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.	-	-	-

Ageing:  
As at 31 March 2024

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSE	365.66	116.91	-	0.01	-	482.58
(ii) Undisputed dues - Others*	1,583.85	779.93	85.37	37.50	-	2,486.65
(iii) Disputed dues - MSE	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,949.51</b>	<b>896.84</b>	<b>85.37</b>	<b>37.51</b>	<b>-</b>	<b>2,969.23</b>

\* Includes unbilled trade payables within the category 'Not Due' amounting to INR 212.80 million.

As at 31 March 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSE	795.96	100.34	0.03	-	0.05	896.38
(ii) Undisputed dues - Others*	1,804.91	151.53	67.84	8.57	2.90	2,035.75
(iii) Disputed dues - MSE	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	0.02	0.08	-	0.10
<b>Total</b>	<b>2,600.87</b>	<b>251.87</b>	<b>67.89</b>	<b>8.65</b>	<b>2.95</b>	<b>2,932.23</b>

\* Includes unbilled trade payables within the category 'Not Due' amounting to INR 449.30 million.

As at 31 March 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSE	399.20	5.68	-	-	-	404.88
(ii) Undisputed dues - Others*	1,569.65	85.36	36.09	44.46	1.16	1,756.62
(iii) Disputed dues - MSE	-	-	-	-	-	-
(iv) Disputed dues - Others	0.04	-	0.17	-	-	0.21
<b>Total</b>	<b>1,968.79</b>	<b>91.04</b>	<b>36.26</b>	<b>44.46</b>	<b>1.16</b>	<b>2,161.71</b>

\* Includes unbilled trade payables within the category 'Not Due' amounting to INR 7.30 million.



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

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Employee related payables	39.78	37.26	0.86
Payable for capital goods	1.12	1.73	0.57
	<b>40.90</b>	<b>38.99</b>	<b>1.43</b>

**Note 23: Other current liabilities**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Contract liability (Refer note 50)	1,475.94	873.13	279.36
Advance from customers - revenue received in advance (Refer note 50)	20.13	129.02	179.76
Statutory dues payable	24.58	32.38	16.17
<b>Total</b>	<b>1,520.65</b>	<b>1,034.53</b>	<b>475.29</b>

**Note 24: Provisions**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Non-current</b>			
Provision for warranty	5.88	4.59	3.78
Provision for gratuity (refer note 37)	22.19	16.57	15.28
	<b>28.07</b>	<b>21.16</b>	<b>19.06</b>
<b>Current</b>			
Provision for foreseeable losses	79.77	145.83	42.16
Provision for warranty	1.87	4.79	1.98
Provision for gratuity (refer note 37)	3.14	1.92	0.18
Provision for compensated absences (refer note 37)	21.11	11.68	11.22
	<b>105.89</b>	<b>164.22</b>	<b>55.54</b>



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**Note 24.1: Movement in provision for foreseeable losses**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	145.73	42.16	11.57
Recognised during the year	11.65	130.56	30.59
Utilised/reversed during the year	(77.57)	(26.99)	-
Balance at the end of the year	79.81	145.73	42.16

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 restated statement of profit and loss.

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

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	9.38	5.76	5.06
Recognised during the year	4.68	13.98	6.49
Utilised/reversed during the year	(6.31)	(10.36)	(5.79)
Balance at the end of the year	7.75	9.38	5.76

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

**Note 25: Current tax liabilities**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Income tax liabilities (net of advance taxes paid - INR 128.30 million as at 31 March 2024 and INR 78.00 million as at 31 March 2023)	179.13	56.17	-
	179.13	56.17	-



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Note 26: Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>Sale of services:</b>			
Income from engineering, procurement and construction (EPC) services*	7,766.89	5,243.05	4,742.12
<b>Other operating revenue:</b>			
Liabilities (project related) no longer required to be paid, written back	26.63	-	-
Reversal of provision towards foreseeable losses on contracts (net)	65.96	-	-
	<b>7,859.48</b>	<b>5,243.05</b>	<b>4,742.12</b>

\*Note: Refer note 50 for additional details.

Note 27: Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>Interest income on:</b>			
- on bank deposits	32.94	20.28	17.06
- on income tax refund	-	0.72	-
<b>Other non operating income:</b>			
Provisions no longer required written back	20.90	-	34.75
Gain on sale of property, plant and equipment (net)	-	0.22	0.00
Gain on mutual fund investments (on sale and fair value changes)	0.96	0.24	0.30
Allowance for expected credit loss written back	-	27.02	-
Miscellaneous income	0.09	0.26	1.44
	<b>54.89</b>	<b>48.74</b>	<b>53.55</b>

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Cost of materials consumed (Refer note 12)	3,849.57	2,664.83	3,037.78
<b>Total</b>	<b>3,849.57</b>	<b>2,664.83</b>	<b>3,037.78</b>
<b>Reconciliation of cost of materials consumed :</b>			
Opening stock	210.08	202.80	276.71
Opening stock in transit	146.48	118.60	38.10
Add: Purchases during the year (net)	4,000.24	2,699.99	3,044.37
Less: closing stock	498.57	210.08	202.80
Less: closing stock in transit	8.66	146.48	118.60
	<b>3,849.57</b>	<b>2,664.83</b>	<b>3,037.78</b>

Note 29: Project related expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Sub-contracting charges	1,278.04	783.15	492.84
Technical consultancy charges	281.28	77.70	16.18
Plant and machinery hire charges (Refer note 38)	32.79	21.57	37.56
Transportation charges	32.48	14.66	18.72
Loading and unloading charges	30.23	17.33	24.32
Survey costs	11.27	11.73	-
Warranty expenses	4.68	13.98	6.49
Other project expenses	6.91	21.66	41.33
	<b>1,677.68</b>	<b>961.78</b>	<b>637.44</b>

Note 30: Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and bonus (including directors' remuneration)	530.35	361.97	300.44
Contribution to provident and other funds (Refer note 37)	22.92	17.09	16.20
Staff welfare expenses	18.30	17.51	11.25
Gratuity expense (Refer note 37)	7.75	5.86	5.56
Compensated absences expense (Refer note 37)	10.31	2.83	3.36
	<b>589.63</b>	<b>405.26</b>	<b>336.81</b>



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Note 31: Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>Interest expense on:</b>			
- borrowings carried at amortised cost	234.07	189.61	134.21
- delayed payment of statutory dues	1.56	6.82	0.17
- lease liabilities (Refer note 38)	0.94	0.79	0.61
- delayed payment to micro and small enterprises vendors	17.60	20.37	0.58
Other borrowing costs*	65.70	64.57	51.39
	<b>319.87</b>	<b>282.16</b>	<b>186.96</b>

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

Note 32: Depreciation and amortisation expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property, plant and equipment (Refer note 4A)	24.32	21.73	14.12
Depreciation on right of use assets (Refer note 6)	8.63	7.73	3.68
Amortisation on intangible assets (Refer note 5)	7.56	7.52	7.17
	<b>40.51</b>	<b>36.98</b>	<b>24.97</b>

Note 33: Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Electricity expenses	5.63	4.18	3.70
Rent expense (Refer note 38)	32.37	20.36	24.26
Repairs and maintenance - buildings	0.42	0.36	0.32
Repairs and maintenance - others	25.74	17.85	15.61
Security charges	33.47	22.21	23.37
Insurance	23.62	12.87	11.71
Rates and taxes	34.19	31.99	33.97
Vehicle hire charges (Refer note 38)	34.57	33.73	55.35
Auditor's remuneration (Refer note 39)	3.30	2.63	2.10
Travelling and conveyance	32.81	24.59	18.65
Consulting and professional fees	80.25	93.64	107.87
Site expenses	13.94	17.94	27.92
Donation	5.03	0.62	1.34
Printing and stationary	4.97	3.72	3.44
Bank charges	9.49	3.16	0.55
Business promotion expenses	5.15	6.07	5.73
Provision for foreseeable losses on contracts (net)	-	103.65	30.59
Contribution to political party	-	-	4.00
Corporate social responsibility expenses (Refer note 42)	6.38	5.34	5.63
Allowance for expected credit loss	51.70	-	84.23
Miscellaneous expenses	6.62	9.13	17.81
	<b>409.65</b>	<b>414.04</b>	<b>478.15</b>

Note 34: Exceptional items - (loss)/ gain

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Indirect taxes provision written back	-	127.40	-
Provision written back to the extent no longer considered payable	-	40.60	-
Trade receivables written off	-	(154.96)	-
<b>Net exceptional gain - (loss)/ gain</b>	<b>-</b>	<b>13.04</b>	<b>-</b>





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Note 35: Current tax and deferred tax

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>Current tax:</b>			
Current tax on profits for the year	307.42	134.22	56.69
<b>Deferred tax credit:</b>			
In respect of current year origination and reversal of temporary differences	(28.27)	(22.84)	(29.04)
<b>Total</b>	<b>279.15</b>	<b>111.38</b>	<b>27.65</b>

(b) Income tax on other comprehensive income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Deferred tax credit / (expense)	0.71	(0.34)	(0.04)
<b>Total</b>	<b>0.71</b>	<b>(0.34)</b>	<b>(0.04)</b>

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

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Opening balance (net)	(23.78)	45.49	24.50
Taxes paid during the year (net)	190.91	64.95	77.68
Income tax charge during the year	(307.42)	(134.22)	(56.69)
<b>Closing balance</b>	<b>(140.29)</b>	<b>(23.78)</b>	<b>45.49</b>

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Accounting profit before income tax	1,027.46	539.78	93.56
Applicable income tax rate (in %)	25.17%	25.17%	25.17%
Computed expected tax expense	258.59	135.85	23.55
Tax effect of amount which are not (taxable)/ deductible in calculating taxable income	48.83	(1.63)	33.14
Deferred tax on origination/reversal of temporary differences	(28.27)	(22.84)	(29.04)
<b>Tax expense reported in the restated statement of profit and loss</b>	<b>279.15</b>	<b>111.38</b>	<b>27.65</b>

Note 36: Earnings per equity share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Net profit attributable to equity shareholders for the year [a]	748.31	428.40	65.91
Weighted average number of equity shares outstanding during the year	2,98,518	2,90,378	2,90,378
Add: Effect of split of equity shares subsequent to 31 March 2024 (Refer note (i) below)	26,86,661	26,13,402	26,13,402
Add: Effect of Bonus shares issue subsequent to 31 March 2024 (Refer note (ii) below)	14,92,58,962	14,51,89,000	14,51,89,000
Total weighted average number of equity shares for basic earnings per share (Refer note (iii) below) [b]	15,22,44,141	14,80,92,780	14,80,92,780
Dilutive potential equity shares	-	-	-
Total weighted average number of equity shares for diluted earnings per share [c]	15,22,44,141	14,80,92,780	14,80,92,780
Basic earnings per share (in INR) [a/b]	4.92	2.89	0.45
Diluted earnings per share (in INR) [a/c]	4.92	2.89	0.45
Face value per share (in INR) (Refer note (i) below)	1.00	1.00	1.00

Notes:

(i) Subsequent to 31 March 2024, 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 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. The record date for the said purpose was 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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Note 37: Employee benefits

1. Short term employee benefits

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

2. Long term employee benefits

(i) Defined benefit plan

(a) Gratuity (unfunded)

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

The following tables summaries the components of net benefits expense recognised in the restated statement of profit and loss (including other comprehensive income) and the amount recognised in the restated statement of assets and liabilities for the defined benefit plan.

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Change in the present value of the defined benefit obligation:</b>			
Opening defined benefit obligation	18.49	15.46	11.42
Interest cost	1.30	1.09	0.77
Current service cost	6.45	4.77	4.79
Benefits paid	(1.83)	(0.72)	(0.31)
Actuarial (gain)/ loss on obligation	0.92	(2.11)	(1.21)
<b>Closing defined benefit obligation</b>	<b>25.33</b>	<b>18.49</b>	<b>15.46</b>
<b>Amount recognised in the statement of assets and liabilities:</b>			
Present value of defined benefit obligation at the end of the year	25.33	18.49	15.46
<b>Net liability recognised in the statement of assets and liabilities</b>	<b>25.33</b>	<b>18.49</b>	<b>15.46</b>
Current	3.14	1.92	0.18
Non-current	22.19	16.57	15.28
<b>Total</b>	<b>25.33</b>	<b>18.49</b>	<b>15.46</b>
	<b>Year ended 31 March 2024</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>
<b>Expense recognised in the restated statement of profit and loss</b>			
Current service cost	6.45	4.77	4.79
Interest cost	1.30	1.09	0.77
<b>Net expense recognised in the restated statement of profit and loss</b>	<b>7.75</b>	<b>5.86</b>	<b>5.56</b>
<b>Expense recognised in the other comprehensive income:</b>			
Actuarial (gain)/ loss on defined benefit obligations	0.92	(2.11)	(1.21)
<b>Net expense recognised in the total comprehensive income</b>	<b>0.92</b>	<b>(2.11)</b>	<b>(1.21)</b>
<b>Breakup of actuarial loss/ (gain)</b>			
Due to change in financial assumptions	0.66	(0.44)	(0.84)
Due to experience	0.15	(1.67)	(0.37)
Due to demographic assumption	0.11	-	-
	<b>0.92</b>	<b>(2.11)</b>	<b>(1.21)</b>
<b>Actuarial assumptions used</b>			
	<b>Year ended 31 March 2024</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>
Discount rate (% per annum)	7.11%	7.38%	7.19%
Salary growth rate (% per annum)	6.00%	6.00%	6.00%

Demographic assumptions used:

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

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



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**Sensitivity analysis**

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

	Year ended 31 March 2024		Year ended 31 March 2023		Year ended 31 March 2022	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
<b>Discount rate</b>						
Change in the defined benefit obligation	(2.22)	2.62	(2.05)	2.48	(1.83)	2.22
<b>Salary growth rate</b>						
Change in the defined benefit obligation	2.76	(2.37)	2.58	(2.18)	2.30	(1.93)
<b>Attrition rate</b>						
Change in the defined benefit obligation	0.07	(0.10)	0.17	(0.22)	0.09	(0.12)

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

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
1st following year	3.14	1.92	0.18
2nd following year	0.87	0.24	3.80
3rd following year	2.78	0.31	4.83
4th following year	3.09	1.80	3.51
5th following year	1.18	2.07	3.90
6 years and onwards upto 10 years	7.33	3.77	3.90

**Other information**

Number of active members	674	508	397
Weighted average duration of the projected benefit obligation for gratuity (in years)	15	19	20
Adjusted average future service (in years)	14	20	19

**(b) Compensated absences**

Compensated absences is a non-funded defined benefit scheme. The obligation for leave entitlement is recognized in the same manner as gratuity. The expense towards compensated absence recognised in the restated statement of profit and loss for the year is INR 10.31 million (31 March 2023 : INR 2.83 million, 31 March 2022: INR 3.36 million). Amount of actuarial loss recognised in other comprehensive income during the year is INR 1.90 million (31 March 2023 : INR 0.78 million, 31 March 2022: INR 1.05 million). Amount recognised in restated statement of assets and liabilities as at 31 March 2024: INR 21.11 million (31 March 2023: INR 11.68 million, 31 March 2022: INR 11.22 million).

**(ii) Defined contribution plan**

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

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Employer's contribution towards Provident Fund (PF)	22.90	17.06	16.15
Employer's contribution towards Employee's State Insurance Corporation (ESIC)	0.01	0.02	0.04
Employers contribution towards Labour welfare fund (LWF)	0.01	0.01	0.01
	<u>22.92</u>	<u>17.09</u>	<u>16.20</u>



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**Note 38: Leases**

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

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

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

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

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

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

**Right-of-use assets:**

(i) The net carrying value of right-of-use assets as at 31 March 2024 amounts to INR 9.43 million (31 March 2023: INR 18.06 million and 31 March 2022: INR 6.12 million) and the movement thereof has been disclosed separately in note 6 to the restated financial information.

**Lease liabilities:**

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

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Opening balance	16.93	6.41	-
Add : Addition during the year	-	17.97	9.80
Add : Interest on lease liabilities	0.94	0.79	0.61
Less : Payment of lease liabilities	(10.41)	(8.04)	(4.10)
Add : Other adjustments	(0.10)	(0.20)	0.10
<b>Closing balance</b>	<b>7.36</b>	<b>16.93</b>	<b>6.41</b>
Non current	3.80	7.46	2.67
Current	3.56	9.47	3.74

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

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
0-1 year	4.96	10.41	4.05
1-5 years	2.90	8.03	2.70
5 years and above	-	-	-

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

- (i) Depreciation expense from right-of-use assets of INR 8.63 million (31 March 2023: INR 7.73 million, 31 March 2022: INR 3.68 million) (Refer note 32).
- (ii) Interest on lease liabilities of INR 0.94 million (31 March 2023: INR 0.79 million, 31 March 2022: INR 0.61 million) (Refer note 31).
- (iii) Expense amounting to INR 99.73 million (31 March 2023: INR 75.66 million, 31 March 2022: INR 117.17 million) related to leases of low-value assets and leases with less than twelve months of lease term. These have been included under plant and machinery, vehicle hire charges and rent expenses (Refer notes 29 and 33).

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>As auditor:</b>			
Statutory audit	3.00	1.70	1.20
Tax audit	0.30	0.30	0.30
Certifications	-	0.60	0.63
	<b>3.30</b>	<b>2.60</b>	<b>2.13</b>

**Note:** Payment for the years ended 31 March 2023 and 31 March 2022 represent fee paid to erstwhile auditor.



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**Note 40: Contingent liabilities and commitments**

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>i) Contingent liabilities (to the extent not provided for)</b>			
a) Income tax demand in respect of earlier years under dispute*	41.50	41.25	42.25
b) Goods and service tax demand in respect of earlier years under dispute*	603.60	536.40	-
c) Claims against the Company not acknowledged as debt	1.50	1.50	1.50

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

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

**ii) Outstanding bank guarantees**

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

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
	-	0.08	8.32
	-	0.08	8.32

**iii) Commitments**

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

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
	-	-	0.76
	-	-	0.76



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

A) Names of related parties

i) Key managerial personnel (KMP)/ Directors

Mr. Rakesh Markhedkar - Chairman and Managing Director (CMD) and Promoter  
Mr. Avinash Markhedkar - Director (appointed as a Whole Time Director w.e.f. 17 June 2024)  
Mr. Nakul Markhedkar - Additional Director (w.e.f. 01 February 2024) (appointed as a Whole Time Director w.e.f. 17 June 2024)  
Mr. Ashish Bahety - Chief Financial Officer (w.e.f. 21 August 2023)  
Mrs. Kajal Rakholya - Company Secretary (w.e.f. 06 May 2024)

ii) Relatives/close members of the family of Key managerial personnel (KMP)

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

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

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

iv) Entities over which Directors/KMP have significant influence

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

B) Transactions with related parties :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>1(A). Sub-contracting and other charges</b>			
SEU India Performance Excellence LLP	20.30	0.60	2.20
<b>1(B). Revenue from operations (Including billing)</b>			
Swarnayug Developers LLP **	91.50	-	-
<b>2. Dividend paid</b>			
Deb Suppliers & Traders Private Limited	19.57	5.07	3.99
Farista Financial Consultants Private Limited	19.50	5.06	3.97
Mr. Rakesh Markhedkar	0.13	0.03	0.03
<b>3. Rent paid*</b>			
Mrs. Kanchan Markhedkar	0.64	0.63	0.63
<b>4. Loan/Advance taken:</b>			
Mr. Rakesh Markhedkar	29.70	13.34	25.80
Mrs. Kanchan Markhedkar	40.13	4.95	5.51
Mr. Nakul Markhedkar	9.38	2.18	3.80
Mr. Vipul Markhedkar	17.65	1.30	1.75
Rakesh Markhedkar HUF	10.50	18.00	10.00
Vikran Global Infraprojects Private Limited	-	20.50	14.50
<b>5. Loan/Advance repaid:</b>			
Mr. Rakesh Markhedkar	29.70	13.34	25.80
Mrs. Kanchan Markhedkar	40.13	4.95	5.51
Mr. Nakul Markhedkar	9.38	2.18	3.80
Mr. Vipul Markhedkar	17.65	1.30	1.75
Rakesh Markhedkar HUF	10.50	18.00	10.00
Vikran Global Infraprojects Private Limited #	211.89	13.05	35.50
<b>6. Interest expense:</b>			
Mr. Rakesh Markhedkar	1.39	1.05	0.62
Mrs. Kanchan Markhedkar	2.09	0.17	0.12
Mr. Nakul Markhedkar	0.80	0.03	0.07
Mr. Vipul Markhedkar	0.98	0.06	0.06
Rakesh Markhedkar HUF	1.52	1.33	0.64
Vikran Global Infraprojects Private Limited	14.79	18.18	17.56
<b>7. Reimbursement of expenses incurred by</b>			
Mr. Rakesh Markhedkar	0.83	0.10	0.13
Mrs. Kanchan Markhedkar	1.62	0.05	2.07
Mr. Nakul Markhedkar	0.38	0.08	0.39
Mr. Vipul Markhedkar	0.72	0.01	0.05
Mr. Avinash Markhedkar	0.09	-	0.08
<b>8. Reimbursement of expenses incurred on behalf of</b>			
Mr. Avinash Markhedkar	-	0.01	-
<b>9. Remuneration (short term employee benefits) to KMP and their relatives/ close members of family of KMP</b>			
Mr. Rakesh Markhedkar	24.56	19.50	13.50
Mr. Avinash Markhedkar	6.72	6.39	6.13
Mrs. Kanchan Markhedkar	25.28	18.50	9.71
Mr. Nakul Markhedkar	19.92	15.88	8.36
Mr. Vipul Markhedkar	6.69	3.20	2.87
Mr. Ashish Bahety	4.21	-	-
<b>10. Salary advance given</b>			
Mr. Vipul Markhedkar	-	0.26	-
Mr. Rakesh Markhedkar	-	-	0.39

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

# Amount year ended 31 March 2024 includes INR 79.42 million settled through issue of equity shares.

\*\* As per contractual arrangement, billing is done amounting to INR 91.50 million during the year ended 31 March 2024 (31 March 2023 : Nil and 31 March 2022: Nil)



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**C) Balances outstanding at the year-end**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Trade payables</b>			
SEU India Performance Excellence LLP	1.04	0.21	0.15
<b>Trade receivables</b>			
Swarnayug Developers LLP	16.64	-	-
<b>Other financial assets</b>			
Vikran Engineering & Exim Private Limited Employees Group Gratuity Fund	0.02	0.02	0.02
<b>Borrowings</b>			
Vikran Global Infraprojects Private Limited	-	197.21	170.13
Rakesh Markhedkar HUF	-	1.33	-
	-	-	-
<b>Salary payable</b>			
Mr. Rakesh Markhedkar	0.65	3.83	-
Mr. Avinash Markhedkar	0.29	1.36	-
Mrs. Kanchan Markhedkar	0.56	4.11	-
Mr. Nakul Markhedkar	0.57	3.59	-
Mr. Vipul Markhedkar	0.62	-	-
Mr. Ashish Bahety	0.39	-	-
<b>Advance recoverable</b>			
Mr. Rakesh Markhedkar	-	-	0.39
Mr. Vipul Markhedkar	-	0.26	-
<b>Outstanding guarantees given against credit facilities extended to:</b>			
Vikran Global Infraprojects Private Limited	-	0.08	8.32

**Notes:**

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

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

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

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

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

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



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42 Corporate Social Responsibility (CSR)

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

Details of CSR activities undertaken by the Company:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
a) Gross amount required to be spent during the year	6.38	5.34	5.63
b) Amount approved by the Board to be spent during the year	6.38	5.34	5.63
c) Amount spent during the year:			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	6.38	5.34	5.63
<b>Total amount unspent</b>	-	-	-

Notes :

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

43 Segment information

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

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
India	7,766.89	5,243.05	4,742.12
Outside India	-	-	-
<b>Total</b>	<b>7,766.89</b>	<b>5,243.05</b>	<b>4,742.12</b>

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from top five customers	4,367.95	3,555.32	2,846.90

(c) For the year ended 31 March 2024, three (31 March 2023: three, 31 March 2022: three) customers, individually accounted for more than 10% of the revenue from operations.

(d) Non-current assets\*

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
India	169.36	197.42	184.84
Outside India	-	-	-

\* Excluding financial assets and tax assets.

44 Dividend

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>Dividend on equity shares paid during the year:</b>			
Final dividend for the previous year paid in current year	39.20	10.16	7.99
	<b>39.20</b>	<b>10.16</b>	<b>7.99</b>

The Board of Directors of the Company, at their meeting held on 07 August 2024, have recommended a dividend of INR 105.00 per share on face value of INR 10 each for the financial year ended 31 March 2024. The same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

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

45 Code on Social Security, 2020

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





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46 Fair value measurements

(i) Fair value hierarchy

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

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the restated financial information. 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) Summary of assets and liabilities which are measured at amortised cost and which are measured at fair values are disclosed below:

Particulars	As at 31 March 2024						
	Carrying value			Fair Value			
	Amortised cost	Financial assets / liabilities at fair value through profit or loss (FVTPL)	Total carrying value	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>							
Investment in mutual funds	-	9.00	9.00	9.00	-	-	9.00
Trade receivables	4,638.96	-	4,638.96	-	-	-	-
Cash and cash equivalents	0.81	-	0.81	-	-	-	-
Other bank balances	490.00	-	490.00	-	-	-	-
Other financial assets	376.59	-	376.59	-	-	-	-
<b>Financial liabilities</b>							
Long term borrowings	107.03	-	107.03	-	-	-	-
Short term borrowings	1,726.88	-	1,726.88	-	-	-	-
Lease liabilities	7.36	-	7.36	-	-	-	-
Trade payables	2,969.24	-	2,969.24	-	-	-	-
Other financial liabilities	40.90	-	40.90	-	-	-	-

Particulars	As at 31 March 2023						
	Carrying value			Fair value			
	Amortised cost	Financial assets / liabilities at fair value through profit or loss (FVTPL)	Total carrying value	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>							
Investment in mutual funds	-	8.09	8.09	8.09	-	-	8.09
Trade receivables	3,699.07	-	3,699.07	-	-	-	-
Cash and cash equivalents	1.23	-	1.23	-	-	-	-
Other bank balances	143.03	-	143.03	-	-	-	-
Other financial assets	529.81	-	529.81	-	-	-	-
<b>Financial liabilities</b>							
Long term borrowings	365.07	-	365.07	-	-	-	-
Short term borrowings	1,184.18	-	1,184.18	-	-	-	-
Lease liabilities	16.93	-	16.93	-	-	-	-
Trade payables	2,932.07	-	2,932.07	-	-	-	-
Other financial liabilities	38.99	-	38.99	-	-	-	-

Particulars	As at 31 March 2022						
	Carrying value			Fair value			
	Amortised cost	Financial assets / liabilities at fair value through profit or loss (FVTPL)	Total carrying value	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>							
Investment in mutual funds	-	3.90	3.90	3.90	-	-	3.90
Trade receivables	3,640.32	-	3,640.32	-	-	-	-
Cash and cash equivalents	1.40	-	1.40	-	-	-	-
Other bank balances	234.20	-	234.20	-	-	-	-
Other financial assets	236.43	-	236.43	-	-	-	-
<b>Financial liabilities</b>							
Long term borrowings	368.59	-	368.59	-	-	-	-
Short term borrowings	818.52	-	818.52	-	-	-	-
Lease liabilities	6.41	-	6.41	-	-	-	-
Trade payables	2,161.76	-	2,161.76	-	-	-	-
Other financial liabilities	1.43	-	1.43	-	-	-	-

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 date.

Fair value of long term borrowings approximate their carrying amounts due to the fact that long term borrowings are availed at 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 periods.

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



#### 47 Financial risk management

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

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

##### A Credit risk

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

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

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

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

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

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

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

##### B Liquidity risk

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

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

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

##### (i) Maturities of financial liabilities

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

As at 31 March 2024	Carrying amount	Contractual maturities					
		Amount	Repayable on demand	Upto 1 year	Between 1 - 3 years	Beyond 3 years	Total
Financial liabilities							
Borrowings	1,833.91	1,169.77	559.21	83.03	22.00	1,834.01	
Trade payables*	2,969.23	-	2,712.44	256.79	-	2,969.23	
Other financial liabilities	40.90	-	40.90	-	-	40.90	
<b>Total</b>	<b>4,844.04</b>	<b>1,169.77</b>	<b>3,312.55</b>	<b>339.82</b>	<b>22.00</b>	<b>4,844.14</b>	

As at 31 March 2023	Carrying amount	Contractual maturities				
		Amount	Repayable on demand	Upto 1 year	Between 1 - 3 years	Beyond 3 years
Financial liabilities						
Borrowings	1,549.24	839.04	345.15	342.91	21.98	1,549.08
Trade payables*	2,932.08	-	2,723.38	208.70	-	2,932.08
Other financial liabilities	38.99	-	38.99	-	-	38.99
<b>Total</b>	<b>4,520.31</b>	<b>839.04</b>	<b>3,107.52</b>	<b>551.61</b>	<b>21.98</b>	<b>4,520.15</b>

As at 31 March 2022	Carrying amount	Contractual maturities				
		Amount	Repayable on demand	Upto 1 year	Between 1 - 3 years	Beyond 3 years
Financial liabilities						
Borrowings	1,187.11	645.05	173.55	315.36	53.12	1,187.08
Trade payables*	2,161.77	-	1,926.28	235.49	-	2,161.77
Other financial liabilities	1.43	-	1.43	-	-	1.43
<b>Total</b>	<b>3,350.31</b>	<b>645.05</b>	<b>2,101.26</b>	<b>550.85</b>	<b>53.12</b>	<b>3,350.28</b>

\* In the restated statement of assets and liabilities, 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 period are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Variable rate borrowing	1,519.29	1,473.99	1,122.72
Fixed rate borrowings	314.62	75.26	64.52
<b>Total</b>	<b>1,833.91</b>	<b>1,549.25</b>	<b>1,187.24</b>

**- Interest rate sensitivity**

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

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
50 bps increase would decrease the profit before tax/equity by*	(7.60)	(7.37)	(5.61)
50 bps decrease would increase the profit before tax/equity by*	7.60	7.37	5.61

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

**Mutual fund price risk**

The value of unquoted mutual fund investments measured at fair value through profit and loss as at 31 March 2024 is INR 9.00 million (31 March 2023: INR 8.09 million, 31 March 2022: INR 3.90 million). A 10% change in value for year ended 31 March 2024 would result in an impact of INR 0.90 million (31 March 2023: INR 0.81 million, 31 March 2022: INR 0.39 million) on profit before tax and other equity (holding all other variables constant)

**48 Capital management**

The Company's objectives when managing capital are to :

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

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

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

The gearing ratios are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Net debt (Total borrowings less cash and cash equivalents)	1,833.20	1,548.01	1,185.71
Total equity	2,912.80	1,311.35	892.12
<b>Capital gearing ratio</b>	<b>0.63</b>	<b>1.18</b>	<b>1.33</b>



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**Note 49: First time adoption of Indian Accounting Standard**

**First Ind AS Financial statements**

For periods up to and including the year ended 31 March 2023, the Company prepared its statutory financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules, 2021 (Previous GAAP / Indian GAAP).

The basis of preparation, as set out in Note 1 has been applied in preparing the restated financial information for the year ended 31 March 2024. This note explains the principal adjustments made by the Company in restating its earlier statutory financial statements for the years ended 31 March 2023 and 31 March 2022.

**A. Exemptions and exceptions availed**

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

**A.1 Ind AS optional exemptions:**

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

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

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

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

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

**A.2 Ind AS mandatory exceptions:**

**A.2.1 Estimates**

The estimates as at 01 April 2021, 31 March 2022 and as at 31 March 2023 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect differences, if any in accounting policies) apart from impairment of financial assets based on the expected credit loss model where the application of previous GAAP did not require such estimation.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 01 April 2021, the date of transition to Ind AS and as at 31 March 2022 and 31 March 2023.

**A.2.2 Classification and measurement of financial assets**

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

**A.2.3 Impairment of financial assets**

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

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

**A.2.4 Derecognition of financial assets and financial liabilities**

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

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

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

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



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

**B.1 Reconciliation of equity as at 31 March 2023, 31 March 2022 and 01 April 2021**

Particulars	Notes to first time adoption	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Equity as per previous GAAP		1,349.72	929.40	834.07
<b>Adjustments</b>				
Impact of application of lease accounting under Ind AS 116	B.3.1	(0.62)	(0.08)	(0.27)
Impact of allowance for expected credit losses	B.3.2	(50.26)	(50.26)	-
Impact on account of fair value of mutual fund investments	B.3.4	0.11	0.30	0.29
Tax effect on above adjustments		12.40	12.76	(0.01)
<b>Total adjustments</b>		<b>(38.37)</b>	<b>(37.28)</b>	<b>0.01</b>
Equity as per Ind AS framework		1,311.35	892.12	834.08

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

Particulars	Notes to first time adoption	Year ended 31 March 2023	Year ended 31 March 2022
Net profit after tax as per previous GAAP		430.48	103.32
<b>Adjustments</b>			
Impact of application of lease accounting under Ind AS 116	B.3.1	(0.60)	(0.04)
Impact of allowance for expected credit losses	B.3.2	-	(50.26)
Impact on account of remeasurement of post employment benefit obligation	B.3.3	(1.33)	(0.16)
Impact on account of fair value of mutual fund investments	B.3.4	0.24	0.30
Tax effect on above adjustments		(0.39)	12.76
<b>Total adjustments</b>		<b>(2.08)</b>	<b>(37.40)</b>
Net profit after tax as per Ind AS		428.40	65.92
Other comprehensive income as per Ind AS		0.99	0.12
<b>Total comprehensive income as per Ind AS framework</b>		<b>429.39</b>	<b>66.04</b>

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

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

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

**2. Allowance as per expected credit loss model**

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

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

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

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

**4. Remeasurement of investments in mutual funds**

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

**C : Others**

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



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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 2024	Year ended 31 March 2023	Year ended 31 March 2022
Contracted price	7,818.61	5,311.59	4,958.06
Less: Variable consideration	(51.72)	(68.54)	(216.44)
<b>Revenue from sale of services</b>	<b>7,766.89</b>	<b>5,243.05</b>	<b>4,741.62</b>

b) Revenue based on performance obligations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
As services are rendered (over the period of time)	7,766.89	5,243.05	4,741.62
Upon completion of services (at a point in time)	-	-	-

c) Recognized revenue earned from:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Related parties*	55.04	-	-
Others	7,711.84	5,243.05	4,742.12

\* As per contractual arrangement, billing is done amounting to INR 91.50 million for the year ended 31 March 2024 (31 March 2023: Nil, 31 March 2022: Nil) which has been disclosed in transaction with related parties.

d) Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Trade receivables (net carrying value)	4,638.96	3,699.07	3,640.32
Contract assets (unbilled work in progress)	2,891.64	1,946.36	42.88
Advance from customers	20.13	129.02	179.76
Contract liability*	1,475.94	873.13	279.36

\* Revenue recognised during the year from contract liability is INR 873.10 million (31 March 2023: INR 279.40 million, 31 March 2022: Nil).

e) Movement in contract assets and contract liability

Particulars	Contract assets	Contract liability and customer advances
Balance as on 01 April 2021	36.75	260.85
Net increase/ (decrease)	6.13	198.77
Balance as on 31 March 2022	42.88	459.62
Net increase/ (decrease)	1,903.48	542.03
Balance as on 31 March 2023	1,946.36	1,001.65
Net increase/ (decrease)	945.28	493.92
Balance as on 31 March 2024	2,891.64	1,495.57

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

f) Cost to obtain or fulfil the contract:

- (i) Amount of amortisation recognised in restated statement of profit and loss during the year : Nil (31 March 2023: Nil, 31 March 2022: Nil).  
(ii) Amount recognised as contract assets in relation to cost incurred for obtaining contract as at 31 March 2024 : Nil (31 March 2023: Nil, 31 March 2022: Nil).

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



51 Key analytical ratios (to the extent applicable) :

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Explanation for variance in ratio by more than 25%
Current ratio	Current assets	Current liabilities	1.37	1.17	17.36%	Not applicable
Debt equity ratio	Borrowings (current and non current)	Total equity	0.63	1.18	-46.71%	The favourable variance is due to increase in share capital issued during the year, however there was slight increase in the borrowings as compared to equity.
Debt service coverage ratio	Net profit before tax + depreciation, and amortisation + interest expense on borrowings	Principal and interest repayment of long-term borrowings	0.63	0.44	42.86%	Increase is primarily because in current year, the Company's profit has increased as compared to previous year.
Return on equity (ROE)	Net profit after taxes	Average shareholders' equity	35.44%	38.86%	-8.81%	Not applicable
Inventory turnover ratio	Sale of service	Average inventory	18.32	15.61	17.38%	Not applicable
Trade receivable turnover ratio	Revenue from operations.	Average trade receivables	1.89	1.43	31.95%	Increase is because of increase in revenue from operations in the current year.
Trade payables turnover ratio	Cost of material consumed + Project related expense	Average trade payable	3.75	2.85	31.55%	Increase is because of increase in operations in current year.
Net capital turnover ratio	Revenue	Working capital (Current assets less current liabilities)	3.25	5.80	-43.94%	Decrease is primarily due to increase in working capital higher than increase in revenue from operations.
Net profit ratio	Net profit after tax	Revenue from operations	9.46%	8.10%	16.79%	Not applicable
Return on capital employed (ROCE)	Earnings before interest and taxes (EBIT)	Capital employed (Total equity as per balance sheet)	46.25%	61.69%	-25.02%	Reduction is mainly on account of increase in net assets/total equity of the Company in the current year due to increase in share capital and securities premium.
Return on investment	Net profit after taxes	Total assets	7.80%	6.01%	29.66%	Increase is because of increase in net profit after taxes in the current year.

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance	Explanation for variance in ratio by more than 25%
Current ratio	Current assets	Current liabilities	1.17	1.24	-5.52%	Not applicable
Debt equity ratio	Borrowings (current and non current)	Total equity	1.18	1.33	-11.22%	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	0.44	0.19	130.42%	The variance is due to increase in profit in FY 23 as compared to FY 22.
Return on equity (ROE)	Net profit after taxes	Average shareholders' equity	38.86%	7.64%	408.90%	The variance is due to increase in profit in FY 23 as compared to FY 22.
Inventory turnover ratio	Sale of service	Average inventory	15.61	21.06	-25.89%	Increase in primarily due to increase in revenue from operations of the Company.
Trade receivable turnover ratio	Revenue from operations.	Average trade receivables	1.43	2.10	-31.87%	The reduction in ratios is due to increase in Trade receivables as compared to revenue.
Trade payables turnover ratio	Cost of material consumed + Project related expense	Average trade payable	2.85	5.22	-45.42%	The decrease in the ratio is due to increase in average trade payables as compared to cost of material consumed and project expense.
Net capital turnover ratio	Revenue	Working capital (Current assets less current liabilities)	5.80	5.74	1.02%	Not applicable
Net profit ratio	Net profit after tax	Revenue from operations	8.10%	1.37%	489.01%	The increase is due to significant increase in the profit in FY 23 as compared to FY 22.
Return on capital employed (ROCE)	Earnings before interest and taxes (EBIT)	Capital employed	61.69%	31.44%	96.20%	The increase is due to significant increase in the EBIT in FY23 as compared to FY 22. However capital employed has not increased at the pace of EBIT.
Return on investment	Net profit after taxes	Total assets	6.01%	1.37%	337.76%	Increase is because of increase in net profit after taxes in the current year.



52 Other statutory information as per Schedule III to the Act

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.  
(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.  
(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.  
(iv) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.  
(v) The Company has complied with the number of layers prescribed under the Companies Act, 2013.  
(vi) There are no transactions or outstanding balances with struck off companies as at and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 except below:

Name of Company	Nature of transactions	31 March 2024	31 March 2023	31 March 2022	Relationship
Eweels Logistics Services India Private Limited	Payables	(0.00)	0.00	0.00	Vendor
Lorshi Enterprises Private Limited	Payables	0.01	0.01	(0.01)	Vendor
Taneesh Travel And Tours Private Limited	Payables	(0.03)	0.03	0.03	Vendor
Kedar Badri Construction Private Limited*	Payables	0.33	0.17	(1.68)	Vendor
Rishabh Human Resource Solution Private Limited*	Payables	0.40	0.00	(0.40)	Vendor
TMSV Paripurnam Infrastructure (OPC) Private Limited*	Payables	0.06	(0.04)	(0.08)	Vendor
Unive Orbital Private Limited	Payables	0.35	0.07	-	Vendor
Vidhudi Engineering India Private Limited	Payables	0.02	0.02	-	Vendor
Plinth Construction Private Limited	Payables	0.01	0.01	-	Vendor
Jyotipriya Infratech Private Limited	Payables	0.07	0.02	-	Vendor
Sanara Construction Enterprises Private	Payables	-	-	(0.02)	Vendor
CNP Infrastructure Private Limited	Payables	-	-	(0.38)	Vendor
R & M Webtech Private Limited	Payables	-	-	(0.01)	Vendor
Jai Maa Kali Constructions Private Limited	Payables	-	-	(0.02)	Vendor
Unicel Tera Telecommunication Private	Payables	-	-	(0.06)	Vendor

\* Balance written back





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- 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 Subsequent events:
- (i) The Board of Directors of the Company, at their meeting held on 18 December 2021, had approved the scheme of amalgamation of Farista Financials Consultants Private Limited and Deb Suppliers & Traders Private Limited 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 Company had filed petition with National Company Law Tribunal (NCLT), Mumbai Bench in relation to the Merger, pursuant to applicable provision of the Act. The aforesaid scheme of Merger has been approved by the 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, Mumbai on 23 August 2024. Such acquisition is not accounted for in this Restated Financial Information as the event has occurred subsequent to the date of the Board of Director’s meeting held for approval of Ind AS Financial Statements for the year ended 31 March 2024, prepared for statutory purpose.
- (ii) Subsequent to 31 March 2024, the Company has issued 20,992 and 6,642 equity shares of face value INR 10 each, on a private placement basis as approved by the shareholders in their meetings dated 24 July 2024 and 12 August 2024, respectively.  
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.  
Further, the Company has also allotted 3,000 equity shares of face value INR 1 each as approved by the Board of Directors in their meeting dated 24 August 2024.  
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. The record date for the said purpose was fixed as 23 August 2024.
- 56 Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail is not disabled.  
The Company uses an accounting software for maintaining its books of account which is operated by a third party software service provider which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software at an application level. The ‘Independent Service Auditor’s Assurance Report on the Description of Controls, their Design and Operating Effectiveness’ (‘Type 2 report’ issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation) does not provide any information on the audit trail feature at database level for the said accounting software. Further, the audit trail feature is not tampered with, where such feature is enabled.

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57 Summary of restatement adjustments

(1) Statement of restatement adjustments to audited statutory purpose financial statements and audited special purpose Ind AS financial statements

For the years upto and including the year ended 31 March 2023, the Company prepared its statutory purpose financial statements in accordance with Accounting Standards prescribed under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021. The Restated Financial Information has been compiled by the management from the audited special purpose Ind AS financial statements of the Company for the years ended 31 March 2024, 31 March 2023 and 31 March 2022. (Refer Note 1 for basis of preparation). There is no difference between Restated Financial Information and audited special purpose Ind AS financial statements of the Company as referred earlier. Reconciliations between the Restated Financial Information and statutory purpose financial statements of the Company is set out below:

(A) Reconciliation between profit after tax as per audited statutory financial statements and as per restated financial information:

For the year ended 31 March 2024:

Particulars	Year ended 31 March 2024
Profit after tax as per audited statutory financial statements	748.31
Restatement adjustments	-
Profit after tax as per restated statement of profit and loss	748.31

For the years ended 31 March 2023 and 31 March 2022

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit after tax as per audited statutory financial statements	430.48	103.32
<u>Adjustments on account of transition to Ind AS (Refer note below on first time adoption of Ind AS)</u>		
Impact of application of lease accounting under Ind AS 116	(0.60)	(0.04)
Impact of allowance for expected credit losses	-	(50.26)
Impact on account of remeasurement of post employment benefit obligation	(1.33)	(0.16)
Impact on account of fair value of mutual fund investments	0.24	0.30
Tax effect on above adjustments	(0.39)	12.76
Total	(2.08)	(37.40)
Restatement adjustments	-	-
Profit after tax as per restated statement of profit and loss	428.40	65.91

(B) Reconciliation between total equity as per audited statutory financial statements and as per restated financial information:

As at 31 March 2024:

Particulars	As at 31 March 2024
Total equity as per audited statutory financial statements	2,912.80
Restatement adjustments	-
Total equity as per restated statement of assets and liabilities	2,912.80

As at 31 March 2023, 31 March 2022 and 01 April 2021

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Total equity as per audited statutory financial statements	1,349.72	929.40	834.07
<u>Adjustments on account of transition to Ind AS (Refer note below on first time adoption of Ind AS)</u>			
Impact of application of lease accounting under Ind AS 116	(0.62)	(0.08)	(0.27)
Impact of allowance for expected credit losses	(50.26)	(50.26)	-
Impact on account of fair value of mutual fund investments	0.11	0.30	0.29
Tax effect on above adjustments	12.40	12.76	(0.01)
Total	(38.37)	(37.28)	0.01
Restatement adjustments	-	-	-
Total equity as per restated statement of assets and liabilities	1,311.35	892.12	834.08



**Note on First time adoption of Indian Accounting Standard**

**A. Exemptions and exceptions availed**

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

**A.1 Ind AS optional exemptions:**

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

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

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

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

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

**A.2 Ind AS mandatory exceptions:**

**A.2.1 Estimates**

The estimates as at 01 April 2021, 31 March 2022 and as at 31 March 2023 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect differences, if any in accounting policies) apart from impairment of financial assets based on the expected credit loss model where the application of previous GAAP did not require such estimation.

**A.2.2 Classification and measurement of financial assets**

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

**A.2.3 Impairment of financial assets**

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

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

**A.2.4 Derecognition of financial assets and financial liabilities**

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

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

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

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

**B. Impact on first time adoption under Ind AS**

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

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

**2. Allowance as per expected credit loss model**

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

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

Under the previous GAAP, these remeasurement were forming part of the statement of profit and loss for the year. Under Ind AS, remeasurement i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income.

**4. Remeasurement of investments in mutual funds**

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

**C : Others**

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

**(2) Non-adjusting events**

i) Audit qualifications in relation to reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) for the year ended 31 March 2024, which do not require any adjustments in the restated financial information:

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

ii) a) Emphasis of matters in respect of the audited statutory purpose financial statements for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, not requiring adjustments to Restated Financial Information:



Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)  
Notes to the Restated Financial Information  
(All amounts in INR million, unless otherwise stated)

**As at and for the year ended 31 March 2024**

(the figures reported in this section have been presented in million for consistency purpose)

- 1 "We draw attention to Note 13.1 to the financial statements, which describe an uncertainty to the outcome of an ongoing litigation with a customer on recoverability of balance amounting to INR 292.90 million 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."

**As at and for the year ended 31 March 2023**

(the figures reported in this section have been presented in million for consistency purpose)

**We draw attention to:**

- 1 "In the FY 2019-20 a survey by the DGGI (GST) department was conducted w.r.t to transaction for the FY 2017-18. Where company had accepted the GST liability of INR 133.60 Millions on pretext to buy peace of mind and started paying GST amount. Upto 31 March, 2022 company had paid GST amounting to INR 86.20 Millions against the same. During the current financial year company has received the SCN from the DGGI department and based on the legal opinion obtained, management is of the view that neither the balance GST amount of INR 47.40 Millions is payable by the company nor there is requirement of making any provision for interest and penalty. Hence company has reversed the GST liability of INR 127.40 Millions during the FY 22-23 and disclosed under exceptional item and recognised assets of INR 80.00 Millions. Presently the matter is under litigation."
- 2 "As on 31 March, 2023 company is custodian of customer owned inventory amounting to INR 3,901.79 Millions, where execution/handover to customer is pending. Further during the year company has supplied material having sales value of INR 1,279.62 Millions, which are yet to be invoiced to the customer, was under certification from respective customers. As per the management, these inventories are lying at different/ remote locations at various stages of project execution. Hence, physical verification of inventory was not possible."
- 3 "We draw attention to Note No. 32 to the financial statements, we had sent positive external confirmation requests through electronic modes. However, there are fewer confirmations received than anticipated. In respect to trade receivable, trade payable and advances are subject to confirmation from respective parties and consequential reconciliation/adjustment arising there from, if any. However, management anticipates that there is no material impact due to such reconciliation and confirmations."
- 4 "The Company enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods. AS 7, Contracts Accounts, Revenue from construction contracts is recognised based on the stage of completion determined with reference to the actual costs incurred up to reporting date on the construction contract and the estimated cost to complete the project. Cost estimates involves judgments including those relating to cost escalations; assessment of technical, political, regulatory and other related contract risks and their financial estimation; scope of deliveries and services required for fulfilling the contractually defined obligations and expected delays, it relies on management's estimates of the final outcome of each contract, and involves management judgement, particularly in forecasting the cost to complete a contract, valuing contract variations, claims and liquidated damages."
- 5 "During the year company has accounted the work execution of INR 1,786.20 Millions which were under certification by the respective customers as on 31 March 2023. Company has started practice of raising proforma Invoice on uncertified work, where GST liability was not provided. Later as the work get certified, company raises the Tax Invoice including the GST amount. Company has taken a legal opinion according to which, GST liability is applicable only when amount is received or milestone achieve as per the contract terms. However company has reversed the uncertified sale to complied with AS-7."
- 6 "At the year end, company has booked unbilled sub-contract services amounting to INR 446.90 Millions based on the proforma invoice and joint measurement sheet between sub-contractor and company. However till signing of the financials statements out of the provision for INR 446.90 Millions, tax invoice has been received for INR 267.40 Millions. Management explain that balance work is under certification from respective customers and tax invoice will be received once the work is certified by the customers"
- 7 "As fully explain in Note no 28 of the financial statement, in the month of April 23, one of the client has short closed the ongoing project. The Company has accounted the project loss of INR 160.20 Millions in AS-7 working during the current financial year. Further, Company has taken a legal opinion based on which management is confident that it will get the refund. Hence, no provision against advances received, debtors outstanding and performance liability was made in the current financials statement. However as the matter of abundant precaution the amount is duly disclosed the amount as contingent liability."
- 8 "The Company is principally engaged in the EPC business where majority of erection/installation work are carried through various sub-contractors. As a principal contractor company is liable for various labour compliance as per provisions of Employee Provident Fund Act, 1952 and allied labour Act's. During our course of audit, we found unsatisfactory compliance of labour laws by some sub-contractors. However, management has explained that they have the practice of deducting and retaining five percent amount from the invoices of sub-contractor for the PF Compliance."
- 9 "The Company is principally engaged in the EPC business where majority of erection/installation work are carried through various sub-contractors. Company has a practice of material reconciliation with sub-contractor at the closer of project, whereas it should be done periodically. However, management has explained that they have the practice of deducting and retaining ten percent amount from the invoices of sub-contractor till the material is reconciled."
- 10 "We draw attention to Note no 6 of the Financial Statements regarding classification of retention payable to certain vendors as non-current Trade Payable. These retention to vendors are payable only on completion and reconciliation of ongoing project which involves management's judgement."
- "Our opinion is not qualified in respect of aforesaid matters."

**As at and for the year ended 31 March 2022**

(the figures reported in this section have been presented in million for consistency purpose)

**We draw attention to:**

- 1 "As on 31 March 2022 company is custodian of customer owned inventory amounting to INR 3,330.38 Millions, where execution/handover to customer is pending. As per the management, these inventories are lying at different/ remote locations at various stages of project execution. We are not able to verify the physical inventory neither able to satisfy ourselves with the alternative procedures."
- 2 "We draw attention to Note No. 30 to the financial statements, we had sent positive external confirmation requests through electronic modes. However, there are fewer confirmations received than anticipated. In respect to trade receivable, trade payable and advances are subject to confirmation from respective parties and consequential reconciliation/adjustment arising there from, if any. However, management anticipates that there is no material impact due to such reconciliation and confirmations."
- 3 "The Company enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over several reporting periods. AS 7, Contracts Accounts, Revenue from construction contracts is recognised based on the stage of completion determined with reference to the actual costs incurred up to reporting date on the construction contract and the estimated cost to complete the project. Cost estimates involves judgments including those relating to cost escalations; assessment of technical, political, regulatory and other related contract risks and their financial estimation; scope of deliveries and services required for fulfilling the contractually defined obligations and expected delays, it relies on management's estimates of the final outcome of each contract, and involves management judgement, particularly in forecasting the cost to complete a contract, valuing contract variations, claims and liquidated damages."
- 4 "The Company is principally engaged in the EPC business of transmission and distribution sector where majority of erection/installation work are carried through various sub-contractors. As a principal contractor company is liable for various labour compliance as per provisions of Employee Provident Fund Act, 1952 and allied labour Act's. During our course of audit, we found unsatisfactory compliance of labour laws by some sub-contractors. However, management has explained that they have the practice of deducting and retaining five percent amount from the invoices of sub-contractor for the PF Compliance."
- 5 "The Company is principally engaged in the EPC business of transmission and distribution sector where majority of erection/installation work are carried through various sub-contractors. Company has a practice of material reconciliation with subcontractor at the closer of project, whereas it should be done periodically. However, management has explained that they have the practice of deducting and retaining ten percent amount from the invoices of sub-contractors till the material is reconciled."
- 6 "As of 31 March 2022, trade receivables of INR 318.36 Millions related to amount collectible in respect of the operationally closed project. In determining whether provision is required, the management takes into consideration the ageing status and likelihood of collection based on contractual terms, experience, customer correspondence etc. Based on such assessment, specific allowances are made for receivable that are unlikely to be collected. There is the involvement of material amount which are based on the management judgement. Out of INR 318.36 Millions of trade receivable, INR 113.69 Millions have been disputed by certain customers on account of liquidated damages/price variation/others. Management is confident that Company is following the contractual terms with the customers and accordingly amount would be realized in due course of time. However, as a matter of abundant precaution, it has made total provision of INR 33.97 Millions against disputed trade receivables."
- 7 "We draw attention to Note no 6 of the Financial Statements regarding classification of retention payable to certain vendors as non-current Trade Payable. These retention to vendors is payable only on completion and reconciliation of ongoing project which involves management's judgement."
- "Our opinion is not qualified in respect of aforesaid matters."



ii) b) Emphasis of matters in respect of the audited special purpose financial statements for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 not requiring adjustments to Restated Financial Information:  
As at and for the year ended 31 March 2024

**1 Basis of Preparation and Restriction on Distribution and Use**

"We draw attention to Note 1 to the accompanying Special Purpose Ind AS Financial Statements, which describes the basis of its preparation. The Special Purpose Ind AS Financial Statements have been prepared by the Company solely for the purpose of preparation of the restated financial information for the year ended 31 March 2024 to be included in the Draft Red Herring Prospectus ("DRHP") as per the requirements of Section 26 of Part I of Chapter III of the Act, read with 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 general directions issued by Securities and Exchange Board of India ("SEBI") dated 28 October 2021 through the Association of Investment Bankers of India to the Lead Managers of the Company, to be filed with SEBI, National Stock Exchange of India Limited and BSE Limited, in relation to the proposed initial public offering of the equity shares of the Company. Therefore, these Special Purpose Ind AS Financial Statements may not be suitable for any other purpose. Our report is issued solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior consent in writing. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of this matter."

**2 Recoverability of Trade Receivables**

"We draw attention to Note 13.1 to the accompanying Special Purpose Ind AS Financial Statements, which describe an uncertainty to the outcome of an ongoing litigation with a customer on recoverability of balance amounting to INR 292.90 million 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 special purpose Ind AS financial statements in this respect. Our opinion is not modified in respect of this matter."

As at and for the years ended 31 March 2023 and 31 March 2022

**1 Restriction on Distribution and Use**

"We draw attention to Note 1 to the accompanying special purpose financial statements which describes the basis of preparation used by the management for the preparation of the special purpose financial statements. These special purpose financial statements have been prepared solely for the purpose as explained in the aforementioned note. This report is issued solely for the aforementioned purpose and for the use by the statutory auditors of the Company and accordingly, this report should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to any other person in whose hands our report may come without our prior consent in writing. Our opinion is not modified in respect of this matter."

iii) Other matters in the nature of qualification reported in the Annexure to the Auditors' Reports issued under Companies (Auditor's Report) Order, 2020 (hereinafter referred as "CARO 2020 Order") on the statutory purpose financial statements of the Company, which do not require any corrective adjustments in the Restated Financial Information are as follows:

**Financial year ended 31 March 2024:**

(the figures reported in this section have been presented in million for consistency purpose)

**Clause (ii) (b)**

"As disclosed in Note 19 to the accompanying financial statements, the Company has been sanctioned a working capital limit in excess of INR 50.00 millions 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:

Name of the bank	Working capital limits sanctioned	Nature of current assets held as security	Quarter ended	Particulars securities provided	Amount disclosed as per return	Amount as per books of account	Difference
Consortium of banks	1,300.00	All the current assets of the Company	Jun-23	Inventories	473.00	440.70	32.30
				Trade receivables	4,629.60	4,489.00	140.60
			Sep-23	Inventories	541.00	496.20	44.80
				Trade receivables	4,069.10	4,042.40	26.70
			Dec-23	Inventories	566.60	513.50	53.10
				Trade receivables	3,823.90	3,790.40	33.50
			Mar-23	Inventories	511.20	507.30	3.90
				Trade receivables	6,490.40	6,163.70	326.70

**Clause (vii) (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 million)	Amount paid under Protest (INR in million)	Period to which the amount relates	Forum where dispute is pending
The Income tax act, 1961	Income Tax	39.70	7.80	AY 2016-17	Commissioner of Income tax (Appeals)
	Income Tax	0.30	0.00	AY 2017-18	Commissioner of Income tax (Appeals)
	Income Tax	0.60	Nil	AY 2018-19	Assistant Commissioner of Income tax
	Income Tax	0.70	Nil	AY 2021-22	Deputy Commissioner of Income tax
	Income Tax	0.20	Nil	AY 2022-23	Assistant Commissioner of Income tax
Goods & Service Tax Act, 2017	Goods and Service Tax	536.20	80.00	FY 2017-28	Commissioner, Central Goods and Service Tax & Central Excise (Appeals), Thane
	Goods and Service Tax	67.40	Nil	FY 2018-19 to 2020-21	CGST & Central Excise, Commissionerate, Indore



Vikran Engineering Limited (formerly, Vikran Engineering Private Limited)  
Notes to the Restated Financial Information  
(All amounts in INR million, unless otherwise stated)

**Financial year ended 31 March 2023:**

(The figures reported in this section have been presented in million for consistency purpose)

**Clause (ii) (a)**

"As explained to us, the management has conducted physical verification of inventories at reasonable intervals during the year and no material discrepancies were noticed on such verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory. However, inventory lying with third parties have not been confirmed by them as at year-end, but as per management there will be no material discrepancies."

**Clause (ii) (b)**

"The company has a working capital limit in excess of Rs. 50 million sanctioned by banks or financial institution on the basis of security of current assets. The quarterly statements/return, in respect of the working capital limits have been filed by the company with such banks and such return/statement are in agreement with the books of accounts of the company for the respective periods which were subject to audit/review, except for the following:

Name of bank	Quarter	Particulars of Securities Provided	Amount as per Books of Account	Amount reported in Quarterly Return / Statement	Amount of difference	Reason for material discrepancies			
Union Bank of India, Bank of Maharashtra, Bank of Baroda, Bank of India	Jun-22	Stock	288.62	298.87	(10.25)	Refer note no 39 of financial statements			
		Creditors	957.40	940.57	16.83				
		Debtors	2,611.33	2,770.34	(159.01)				
	Sep-22	Stock	329.17	338.16	(8.99)		Refer note no 39 of financial statements		
		Creditors	915.21	817.04	98.17				
		Debtors	1,867.26	2,109.87	(242.61)				
	Dec-22	Stock	294.55	302.78	(8.24)			Refer note no 39 of financial statements	
		Creditors	616.44	651.30	(34.86)				
		Debtors	1,744.16	1,963.45	(219.29)				
	Mar-23	Stock	277.17	281.42	(4.25)				Refer note no 39 of financial statements
		Creditors	2,619.26	2,513.67	105.59				
		Debtors	5,386.48	5,682.13	(295.65)				

**Clause (vii) (b)**

"According to the information and explanation given to us, there were no statutory dues which have not been deposited by the Company on account of any dispute as at 31 March 2023 except for the following:

Name of the statute	Nature of dues	Gross amount	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income- tax	39.68	A.Y. 2016-17	Commissioner Of Income Tax (Appeals)
The Income Tax Act, 1961	Income- tax	0.27	A.Y. 2017-18	Commissioner Of Income Tax (Appeals)
The Income Tax Act, 1961	Income- tax	0.58	A.Y. 2018-19	Assistant Commissioner of Income Tax
The Income Tax Act, 1961	Income- tax	0.74	A.Y. 2021-22	Assistant Commissioner of Income Tax
Goods & Service tax Act, 2017	Goods & Service tax Act	0.13	FY 2018-19	Appellate Authority MP State GST
Goods & Service tax Act, 2017	Goods & Service tax Act	536.24	FY 2017-18	SCN Received from DGGI against which reply filed

**Clause (ix) (a)**

"According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender except as disclosed below:

Nature of borrowing including debt securities	Name of lender	Amount not paid on due date	Whether principal or Interest	No of days delay or unpaid
Term Loan	Kolak Mahindra Bank	1.19	Principal	< 30 Days
		0.29	Interest	
Term Loan	IDFC First Bank Ltd	1.82	Principal	< 30 Days
		0.38	Interest	
Term Loan	Axis Bank Ltd	2.44	Principal	30 - 45 Days
		0.27	Interest	
Term Loan	Axis Bank Ltd	0.59	Principal	< 30 Days
		0.08	Interest	
Term Loan	Unity Small Finance Bank Limited	1.61	Principal	< 30 Days
		0.24	Interest	
Term Loan	HDFC Bank Ltd	0.18	Principal	< 30 Days
		0.06	Interest	
Term Loan	Federal Financial Services Ltd	2.26	Principal	< 30 Days
		0.20	Interest	
Term Loan	Clix Capital Services	0.35	Principal	< 30 Days
		0.09	Interest	
Term Loan	Tata Capital Finance	0.91	Principal	< 30 Days
		0.03	Interest	
Term Loan	Moneywise Financial Services	1.45	Principal	< 30 Days
		0.75	Interest	
Term Loan	Accura Capital Pvt Ltd	0.75	Principal	< 30 Days
Term Loan	Richbond Capital Pvt Ltd	3.60	Principal	< 30 Days
Term Loan	Mangal Credit Fincorp Limited	0.35	Principal	< 30 Days
		0.15	Interest	
Term Loan	Credit Trade Link	26.30	Principal	< 30 Days
		0.20	Interest	
TReDS	Invoice Mart	24.34	Principal	< 30 Days
TReDS	M1 Exchange	2.25	Principal	< 30 Days
TReDS	RXIL	39.67	Principal	< 30 Days

Loans amounting to INR 230 million are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the relevant financial year."



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**Financial year ended 31 March 2022**

**Clause (ii) (a)**

\*As explained to us, the management has conducted physical verification of inventories at reasonable intervals during the year and no material discrepancies were noticed on such verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory. However, inventory lying with third parties have not been confirmed by them as at year-end, but as per management there will be no material discrepancies.\*

**Clause (ii) (b)**

\*Accordingly to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has a working capital limit in excess of Rs. 50 million sanctioned by banks or financial institution on the basis of security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the company with such banks discrepancies/difference have been reported by the company in Note 38 to the financial statement.\*

**Clause (vii) (a)**

\*According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and services tax, cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax, cess and other material statutory dues were in arrears as at 31 March, 2022 for a period of more than six months from the date they became payable except for Goods & Services tax of INR 47.40 Millions.\*

**Clause (vii) (b)**

According to the information and explanation given to us, there were no statutory dues which have not been deposited by the Company on account of any dispute as at 31 March 2022 except for the following:

Name of the statute	Nature of dues	Gross amount	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	39.68	A.Y. 2016-17	Commissioner Of Income Tax (Appeals)
The Income Tax Act, 1961	Income tax	0.27	A.Y. 2017-18	Commissioner Of Income Tax (Appeals)
The Income Tax Act, 1961	Income tax	0.58	A.Y. 2018-19	Assistant Commissioner of Income tax
The Income Tax Act, 1961	Income tax	0.01	A.Y. 2019-20	Assistant Commissioner of Income tax
The Income Tax Act, 1961	Income tax	1.72	A.Y. 2021-22	Assistant Commissioner of Income tax

**(3) Material regroupings/ reclassification**

Appropriate regrouping/reclassification have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Audited Special Purpose Ind AS Financial Statements for year ended 31 March 2024. However, the impact of such regrouping/ reclassification is not material to the Restated Financial Information

These are the notes to restated financial information referred to in our examination report of even date

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

Rakesh R. Agarwal  
 Partner  
 Membership No.: 109632

Place : Mumbai  
 Date: 24 September 2024



For and on behalf of the Board of Directors

*[Signature]*

Rakesh Markhedkar  
 Chairman & Managing Director  
 DIN : 07009284

Place: Thane  
 Date: 24 September 2024

*[Signature]*

Ashish Bahety  
 Chief Financial Officer

Place: Thane  
 Date: 24 September 2024



*[Signature]*

Avinash Markhedkar  
 Whole Time Director  
 DIN : 03089201

Place: Thane  
 Date: 24 September 2024

*[Signature]*

Kajal Rakholiya  
 Company Secretary

Place: Thane  
 Date: 24 September 2024