



VIKAS ECOTECH LTD.

(A NSE/ BSE Listed Company)

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September 12, 2024

Listing Compliance Department
National Stock Exchange of India Limited.
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai 400051
Fax: 022-26598235/36

Listing Compliance Department
BSE Limited.
Phirozee Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

NSE Symbol: VIKASECO

Scrip Code: 530961

Sub: 39th Annual Report of the Company for the Financial Year 2023-24.

Dear Sir,

Pursuant to Regulation 34 (1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the enclosed herewith copy of 39th Annual Report of the Company for the Financial Year 2023-24.

The above information is also available on the company's website at www.vikasecotech.com.

You are requested to take the same on your records.

Thanking you,

Yours Faithfully,

for Vikas Ecotech Limited

Balwant Kumar Bhushan
Executive Director
DIN: 09840934



39th Annual Report



2023-24

Innovative Technology for a Safer World

TABLE OF CONTENT

CORPORATE OVERVIEW

MISSIONS, VISION AND VALUES & KEY MILESTONES	01
BUSINESS SEGMENTS & KEY DIFFERENTIATORS	02
BOARD OF DIRECTORS & KEY MANGERIAL PERSONAL	03
CERTIFICATIONS AND IPR & ENVIRONMENT, HEALTH AND SAFETY	04

STATUTORY SECTION

MANAGEMENT DISCUSSION AND ANALYSIS REPORT	05
NOTICE OF 38TH ANNUAL GENERAL MEETING	12
NOTES	14
EXPLANATORY STATEMENT	19
BOARD'S REPORT	23
CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION	30
FORM AOC -2	31
DISCLOSURE OF MANAGERIAL REMUNERATION	32
CORPORATE GOVERNANCE REPORT	33
NON-DISQUALIFICATION OF DIRECTORS CERTIFICATE	44
CEO/CFO CERTIFICATE & MD'S DECLARATION	45
SECRETARIAL AUDIT REPORT	46
ANNUAL SECRETARIAL COMPLIANCE REPORT	50


STANDALONE FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT	55
BALANCE SHEET	65
PROFIT & LOSS ACCOUNT	66
CASH FLOW STATEMENT	67
STATEMENT OF CHANGES IN EQUITY	68
NOTES FORMING PART OF FINANCIALS	69

CONSOLIDATED FINANCIAL SECTION


INDEPENDENT AUDITOR'S REPORT	108
BALANCE SHEET	115
PROFIT & LOSS ACCOUNT	116
CASH FLOW STATEMENT	117
STATEMENT OF CHANGES IN EQUITY	118
NOTES FORMING PART OF FINANCIALS	119

MISSION




To Be A Leading Global Player In specialty chemicals and polymers providing premium-quality products niche super consistent whilst leveraging science to create maximum value for all stakeholders

VISION



"To contribute to a safe and sustainable future by creating innovative chemical solutions and driving long-term growth."

VALUES



We are a diverse team united by a shared set of values. Our values define the beliefs we strive to live up to in our corporate actions and customer relationships.

KEY MILESTONES



1984
Incorporated as Vikas Leasing Limited

1995
Maiden IPO & got listed

1998
Started trading and distribution of petrochemical and petrochemical products

2008
Backward integration into manufacturing. Commissioned 2 units in Jammu & 1 in Rajasthan

2011
Established the export division
Ranked as India's fastest growing mid-sized company by Inc. 500



2014
Issued Bonus Shares in the ratio 3:2 to all its shareholders

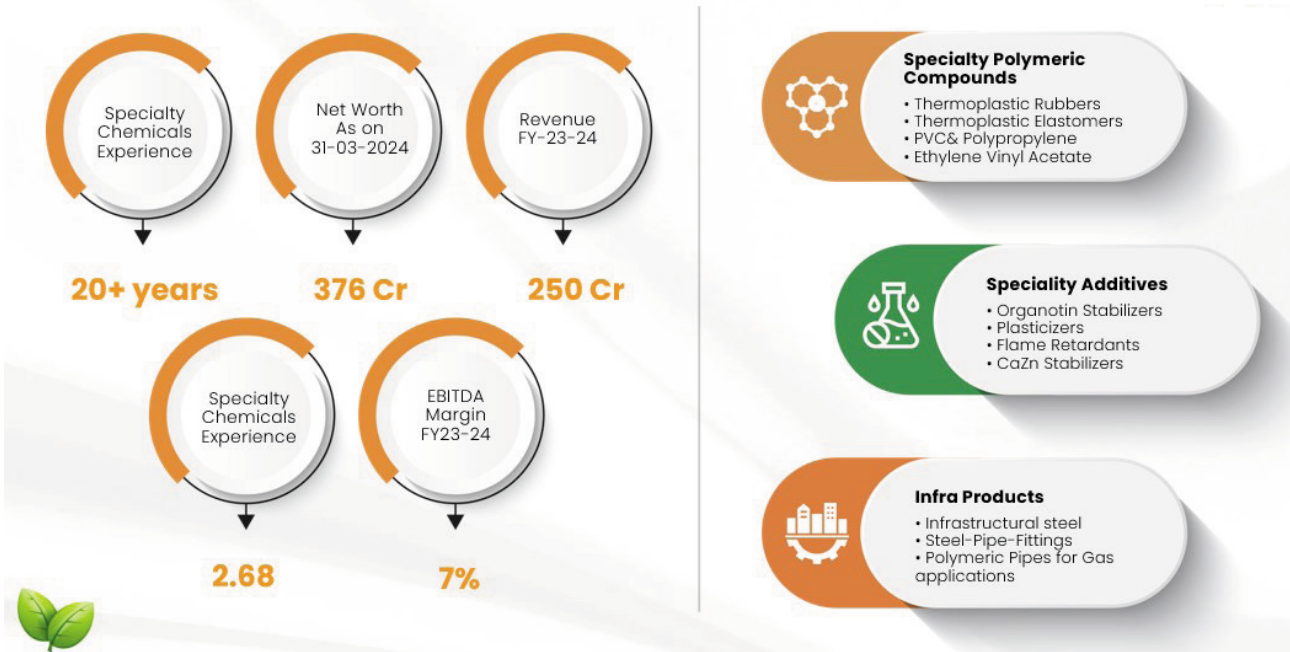
2015
Rebranded the company as Vikas Ecotech Ltd with a focus on eco-friendly

2020
Raised funding of Rs.100 Crores by Two Right Issue (50 Crores each)

2021
Added INFRA & AGRO Divisions
Ventured into Energy Business

2022
In-house R&D Facility was certified by Department of Scientific & Industrial Research (DSIR), Govt

BUSINESS SEGMENTS



KEY DIFFERENTIATORS



BOARD OF DIRECTORS

Dr. Vikas Garg
Managing Director

- 25 years+experience in the field of petrochemical products Steered the group's diversification into polymer compounds and specialty chemical additives for rubbers & Plastics.

- Spearheaded company's flair towards R&D and manufacturing expertise of Specialty chemicals.

- Provides strategic direction and guidance to all the activities of the company

Mr. Rajeev Kumar
Executive Director

Bachelor in Arts from Sam Higginbottom Institute of Agriculture, Allahabad University and having wide experience of 20 years in the field in handling Strategic planning and Commercial projects.

Dr. Ravi Kumar Gupta
Independent Director

- Master Degrees i.e. MFC, MIB, M.Com, PGDCA along with Ph. D in Commerce from the State University of Haryana.

- More than 23 years of experience in the field of Financial Management, Business Policy & Corporate Social Responsibility.

- Worked in Higher Education and is presently associated with Maharaja Agrasen Technical Education Society

Dr. Gyan Prakash Govil
Independent Director

- Ph. D. and M. Tech (Thermal) degree from IIT Delhi

- Has diverse experience in sphere of Research and presently working as Dean of Maharaja Agrasen University, Baddi and Advisor to MATES, Rohini, Delhi.

- In past he has also worked for Bharat Electronics Limited and Ministry of Defense, Government of India.

CS Kratika Godika
Independent Director

- B.COM Graduate and Associate member of The Institute of Company Secretaries of India (ICSI).

- More than 4 years of experience in corporate laws.

- Core areas are strengthening the existing risk compliance and governance framework.

KEY MANGERIAL PERSONNELS

Mr. Balwant K Bhushan
Chief Executive Officer & Director

- Studied commerce and a qualified Cost Management Accountant (CMA) from Institute of Cost Accountants of India.

- He has wide experience in the field of Finance & Costing.

Mr. Amit Dhuria
Chief Financial Officer

- A dynamic Chartered Accountant having 16+ years of experience in Finance, Accounting, Taxation and Auditing, a fellow member of the Institute of Chartered Accountants of India.

- As CFO, he is focused on driving financial performance of the group through rigor and synergy in capital allocation, investment management decisions & portfolio optimization.

FCS Prashant Sajwani
Company Secretary & Compliance Officer

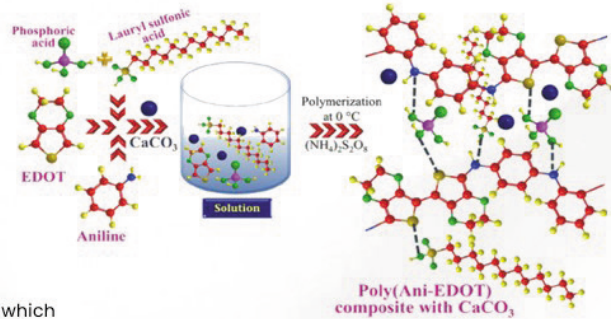
- Fellow Member of The Institute of Company Secretaries of India (ICSI).

- More than 8 years experience in Corporate Secretarial, legal, Statutory Compliance, Corporate Governance, IPR and allied matters

CERTIFICATIONS & IPR

ENHANCEMENTS IN INTELLECTUAL PROPERTY

Successfully applied for grant of patent titled "**Smart Intelligent Coatings using nano Calcium Carbonate blended in Conjugated polymer matrix for corrosion protection and a process for the preparation thereof**".
PATENT APPLICATION No. : 202111052407



Benefits:

- As it gives in market an innovative conjugated polymer composite which on incorporation in paint formulations can protect iron and mild steel under corrosive conditions, first Self-Healing Smart Coating material.
- It will stimulate the growth of company, as with patented technology we can attract overseas investments & can develop products for export.
- Profits generated by patent exploitation can be invested in further research & development which may stimulate commercial growth.
- It can help cement joint ventures, strategic partnerships & acquisitions.



Environment, Health & Safety (EHS)

Responsibility

Vikas Ecotech recognizes that operational safety is of paramount importance to the chemical industry. This is why we adopt a proactive & preventative approach to EHS. The company is committed to maintaining the highest standards of Health & Safety for all employees, contractors, customers and the community

Key objectives of the EHS management system:



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Our Company was originally incorporated on November 30, 1984 as "Vikas Leasing Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana. The name of our Company was changed from "Vikas Leasing Limited" to "Vikas Profin Limited" and a fresh certificate of incorporation was issued on January 7, 2002. Thereafter, again the name of our Company was again changed from "Vikas Profin Limited" to "Vikas Globalone Limited" and a fresh certificate of incorporation was issued on December 31, 2008. On October 21, 2015, the name of our Company was again changed from "Vikas Globalone Limited" to "Vikas Ecotech Limited" and a fresh certificate of incorporation was issued under the seal of Registrar of Companies, Delhi and Noida SEZ (Uttar Pradesh). However, the operation in Noida SEZ is in operative since covid 19.

We are primarily engaged in the business of manufacturing of Specialty Chemicals focused on Specialty Chemical Additives and Specialty Polymer Compounds. Presently, our manufacturing facilities are operating at Shahjahanpur (Rajasthan).

Your company engaged in the business of Specialty Polymers & Specialty Additives and Chemicals for Plastics & Rubbers industries, catering to a wide horizon of applications in Agriculture, Infrastructure, packaging, electrical, footwear, pharmaceuticals, automotive, medical devices and components and other consumer goods. We market our products under well recognized brand names "Tinmate", "Thermate", "Veeprene TPR compound" and "Veeprene TPE compound".

Vikas Ecotech is the only manufacturer of Organotin (Heat Stabilizers for Vinyl applications) in India with in-house R&D facilities and is one of the single digit number of manufacturers of this product worldwide, who have technology and expertise for manufacturing this material right from Tin Metal to the final product. Vikas Ecotech is expanding its business and product portfolio has added many consumer (final) products to its conventional (raw material businesses) profile. The new business segments include Infrastructure Products like Steel Pipe Fittings, MDPE Pipes for Gas applications to its business lines.



Success of our R&D

Trading and carrying out recycling process in the chemical industry, as vast as the chemical industry is spread, the greater is the need to continuously work on the Research and Development aspect of the sector. Our Company is well aware of the only improvisation and the product quality is the vital for the growth and sustainability of our Company. R&D is one of the driving forces for expansion in our Company. Research and development are one of our key strengths and is integral to our growth. We continue to build on our capabilities and competencies in the field of chemistry. Our in-depth expertise in process research, process development and analytical references enables us to provide integrated solutions to our global customers. If we fail to carry out Research and Development in a timely manner, it may adversely affect our business, results of operations, cash flows and financial condition.



Global Outlook

Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia’s invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic.

The January 2023 World Economic Outlook Update projects that global growth will fall to 2.9 percent in 2023 but rise to 3.1 percent in 2024. The 2023 forecast is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook but below the historical average of 3.8 percent. Rising interest rates and the war in Ukraine continue to weigh on economic activity. China’s recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic levels.

In India, first the Delta-driven and then the Omicron-induced waves of the pandemic unsettled the recovery in domestic economic activity. That the third wave turned out to be shorter-lived and less debilitating in terms of impact on economic activity than the first two waves attests to the efficacy of the nationwide vaccination drive and no less to learning and adaptation. The success in navigating two waves of the pandemic owes a lot to the coordinated efforts with central and state governments and third tiers of administration, running multiple awareness campaigns to quell vaccination hesitancy and the selfless, courageous and determined efforts of various stakeholders which imparted speed to the vaccination drive.

Indian Industry Overview

- **For Polymer compounds:**

Through technology innovation and increase in production capacity, Indian producers are targeting to achieve 3% of the global plastics and polymers market by 2025. There are currently over 30’000 plastic processing units, 85-90% of these are small and medium-sized enterprises employing less than 50 workers. The polymer consumption in India is expected to increase to about 20 million metric tons by 2020. This is majorly due to supportive government policies and use of polymers to replace traditional packaging in India.

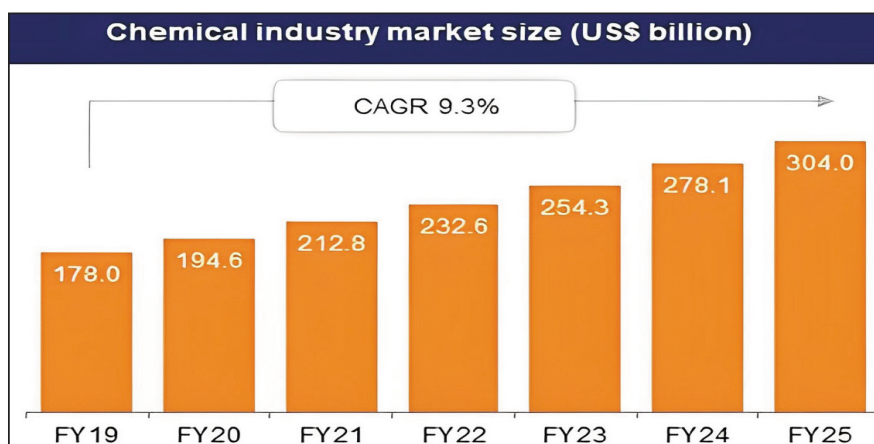
Plastic industry produces many varieties of plastic in the country ranging from raw materials, laminates, plastic-moulded extruded goods, leather cloth and sheeting, polyester films, moulded/soft luggage items, writing instruments, plastic woven sacks and bags, fishnets, polyvinyl chloride (PVC), packaging, consumer goods, sanitary fittings, tarpaulins, electrical accessories, travel ware, laboratory/medical surgical ware and others.

India is currently a powerhouse for plastic and polymer -based products majorly owing to the widespread manufacturing sector in India. There exists a huge gap between the demand and supply of plastic and polymer-based products. This gap is expected to widen in the future as urbanization continues and per capita plastic consumption of India reaches closer to its western counterparts. As industries become competitive and with growth in exports, the need for complex plastic products would arise which would provide an opportunity for foreign manufacturers and R&D firms to target these needs by way of production. Foreign manufacturers can also target to tap into plastic imports.

- **For Specialty Additives:**

The chemical industry is poised to become a major ingredient in fuelling India’s economic growth and has roots spread across a wide range of end-user industries - Personal Care, Home Care, Automobile, Consumer Electronics, Food & Beverages, Paint & Coating, Garment, and others thereby playing a major role in achieving the country’s ambitious US \$5 trillion economy goal by 2025 Specialty additives are a niche division that offers special constituents to improve the performance of several end-users, including construction, automotive, cosmetic, textile, and agricultural industries.

The Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 300 billion to India’s GDP by 2025.



India's specialty additives market is expected to grow to \$40 billion by 2025 from \$28 billion in 2018, according to a study by McKinsey & Company. The country is the fastest growing major specialty chemicals market in the world. Asia is expected to drive 70% of the incremental specialty chemicals demand till FY25, primarily fueled by disproportionate growth in China, and India, thereby laying an imperative for players to make bold moves, according to the report titled 'Building an at-scale Speciality Chemicals Business in Asia'.

Specialty additives are substances added to plastic resins to form process ready polymer compounds or to modify or impart specific changes to their property. The result of introducing an additive into a compound can vary from enhancing its properties to merely changing its color. Additives can also be used to improve the characteristics of polymers such as strength, luster, durability or heat sensitivity. Specialty Chemical additives comprise less than 1% of the total weight of the end product. The Indian polymer additives industry is small but is growing rapidly, driven by increase in usage by end-use industries such as automobiles and white goods. Globally, there is untapped potential in construction industry.

End-use applications for specialty additives are growing PVC accounts for ~ 40% of application of additives in India, followed by poly-olefins which constitute ~ 20%. The consumption of PVC in India has grown rapidly in the last decade due to its end-applications in pipes, conduits, wires and cables, medical packaging, doors, partitions and windows.

Types of Specialty additives:

- 1) **Plasticizers:** These are additives that improve the ease of processing of intermediates to plastic compounds. They increase Fluidity (reducing viscosity), and impart greater flexibility and durability (plasticity) to the end material (plastics). Applications include PVC products, particularly the ones used for cables and wires.
- 2) **Heat stabilizers:** These protect plastics from the degrading effects of heat. The major application includes PVC products used in construction such as window profiles, pipes and cable ducts.
- 3) **Antioxidants:** These prevent oxidative degradation (across manufacturing, processing and end-use stages) of polymers /Plastics in order to minimize changes in color, physical and mechanical properties such that they are within acceptable limits.
- 4) **Others:** Other significant additives are light stabilizers and flame retardants. Light stabilizers protect polymers (especially Polypropylene and polyethylene) from the long-term degradation from ultraviolet component of light. Flame retardants inhibit, Suppress or delay development of flames to prevent spread of fire.

For Infra Product Business

For reporting the growth Asia was the only region in both number and value of projects. FDI invasions to Asia-Pacific continued strong; the region stood out as an attractive destination for international investments throughout the pandemic. For instance, in India, despite steady GDP deceleration in the last few years, the government attracted significant and steady foreign direct investment (FDI) inflows in the last decade.

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for pushing India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development.

Business Segments

Our business is divided into major segments which include Specialty Additives, Polymer Compounds & Infra Product Business.



Speciality Additives:

Specialty additives are specialty chemicals which are indispensable for maintaining and improving the quality of synthetic resin at the time of production as well as during use. Your company offers an extensive range of food grade toxin-free, high-performance and niche additives for use in a variety of manufacturing applications.

Additives can also be used to improve the characteristics of polymers such as strength, luster, durability or heat sensitivity. We are committed to provide tailor-made solutions for specialized customer needs, developing customized product grades for specific requirements. Supported by our dedicated R&D team, we are also committed to offer a superior product for diverse end applications. Our products demonstrate reliability in our customers' production processes and deliver optimum performance to improve efficiency and profitability.

The following are the products that your Company manufactures as Specialty Additives:

► **Organotin Stabilizers**

Your Company is the first and only Indian company with an integrated in-house facility to produce FDA-approved Organotin Mercaptan (Methyl Tin Mercaptide) PVC heat stabilisers from tin metal ingots. These stabilizers are toxin-free and used widely in rigid and flexible PVC articles. Methyltin mercaptides are a family of organotin stabilizers commonly used for PVC drinking water pipe stabilization. Methyltin mercaptides have not been found to leach from PVC products as intact compounds. Organotin stabilisers are an eminent requirement for non-toxic and food-grade PVC articles meeting FDA compliant and high heat stability.

We are credited with establishing the first ones fully integrated state-of-the-art plant for Organotin stabilizers in India. Our in-house facility enables us to manufacture TTC (Tin Tetrachloride) - a vital raw material for Organotin stabilizers. Manufacturing Organotin stabilizers right from the tin metal stage, our products have high-efficacy and can be used in low dosages.

Your Company manufactures this product under the brand name "TINMATE".

Salient Features of our Product

- Non-toxic, Food Grade
- Highly effective tin metal-based PVC heat stabilizer
- Designed for thermally stabilizing vinyl liquid formulations
- Provides excellent early colour & colour hold
- Enables long term heat stability
- Facilitates sparkling clarity and excellent transparency
- Imparts superior processing stability
- Effective in all types of PVC
- Good compatibility with other additives

The products of the Company have been certified by various global agencies, US Food & Drug Administration (FDA) being one of them.

► **Dimethyl Tin Dichloride**

Your Company manufactures high-performance Dimethyl Tin Dichloride (DMTDC) - a raw material for producing Organotin stabilizers.

Your Company manufactures this product under its brand name "THERMATE"

Salient Features of our Product

- High-performance glass coating material
- Catalyst for esterification

► **Plasticizers**

Vikas Ecotech is a leading producer of Epoxidized Soyabean Oil. We use a niche technique of converting waste cooking oil to this speciality plastic additive which acts as a plasticizer and a co-stabilizer. With a commitment to sustainability and reducing environmental impact, we ensure effective and optimum utilization of resources. Our eco-friendly products provide performance benefits and a cost advantage to customers.

Our state-of-the-art manufacturing plants backed by committed customer service and innovative product development make Vikas Ecotech a reliable partner for Food Grade plasticizers.

Your Company produces this product under its brand name "ADDFLEX"

Salient Features of our Product

- Synergistic, heat & light stabilizing additive
- High oxirane content for efficiency
- Imparts flexibility
- Controls migration due to its high molecular weight
- Compliments the conventional metallic stabilizer system
- Facilitates superior processing ability and cost reduction

▶ **Flame Retardants**

Your Company is the premier supplier of Aluminium Trihydrate (ATH) – a widely used flame retardant and smoke suppressant due to its versatility and low cost. ATH provides high-performing alternatives for manufacturers seeking halogen-free flame retardant additives.

These flame retardants enable environmentally compatible protection and less aggressive smoke in all types of rubber and plastic products. Our scientists have developed and formulated a wide variety of ATH grades that are customized to client and application-specific requirements. Vikas Ecotech's products help a diverse range of global customers comply with strict fire safety regulations with a competitive costing.

Specialty Polymer Compounds:

Your Company is a leading manufacturer of specialty rubber-plastic and polymer compounds for the global market.

The ability to create custom polymer compounds with specialty additives ensures highly developed chemical characteristics. Innovative technology, extensive processing knowledge and compounding experience has led Vikas Ecotech to gain a strong market leadership in the global market.

The Company is expected to grow its business exponentially in upcoming future years as the demand for such products will be higher than ever, thus creating more demand for the Company.

▶ **Thermoplastic Rubber (TPR) Compounds**

Vikas Ecotech manufactures a broad range of differentiated TPR compounds. Our products and lab facilities are certified by SATRA, a leading technical authority for footwear and leather, setting standards for quality control.

Our range of products offers the key properties of elite quality rubber compounds with the easy processability of plastics. Such products are used in niche applications like orthopaedic footwear soles; ultra-fine cleaning bristles for micro-sized dusting brushes, sports goods etc. along with the conventional applications like footwear and other consumer goods. Your Company manufactures this product under its brand name "VEEPRENE".

▶ **Thermoplastic Elastomer (TPE) Compounds**

TPE compound comprises of hybrid properties of rubber and plastic and have excellent synergetic qualities. These compounds find applications in a wide range of product manufacturing such as healthcare devices, auto component, industrial and household devices etc. Your Company manufactures this product under its brand name "VEEPRENE".

▶ **Ethylene Vinyl Acetate (EVA) Compounds**

Your Company's EVA compounds are widely used in injection and compression moulding of cross-linked foams. They are suitable for producing high quality footwear, midsoles, insoles, outsoles, sheets etc. Your Company produces this product under its brand name "VIKOLENE".

▶ **V-Blend Compounds**

Your Company has added a new product V-Blend (SEBS based) in their product list by the continuous R & D initiatives and Activities. V Blend are direct import substitutes and will replace the Poly Olefinic Elastomers which are being conventionally imported into the country from world leading names like LG, Du Pont, Dow, Exxon, Etc. Poly Olefinic Elastomers are specialized materials which are added to the base polymer compounds to enhance the physical properties like the tensile strength, the compression set, the anti-skid properties & to achieve a softer feel on the end products produced using polyolefins like PolyEthylene, Poly-Propylene, Ethelene Vinyl Acetate Etc. Our V-Blend (Elasto) series of new products is every way matching the results and performance of the best grades of the imported materials and additionally it will be significantly cost effective for the processors.

Infra Product Business:

To support Company's 'Infra Products' trading business and as a measure of backward integration, the Company has commissioned a Steel Pipe Fittings plant, which after trial production, went into commercial production. In the Infra business of your company, with increasing economic activities and governments thrust on infrastructure development, there is a huge demand of fittings by all major steel tube. Your company has been specifically focusing on growing its consumer products division, alongside continuously working to expand the offering to the conventional business segments, targeting to tap into the ever-growing business potential and the strong and steady demand for the infrastructural materials and products in India, which has a huge scope to offer opportunities for a long lasting and huge business growth.

Tapping Into New Business Ventures:

Your Company after achieving success in the area of manufacturing of Chemicals i.e. the Specialty Additives, Polymer compounds & Infra Products and now planning to venture and tap into Energy Business Segments.

Tapping into Energy business:








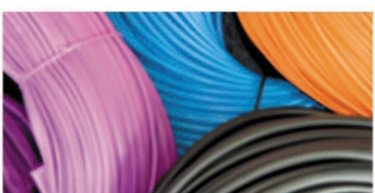
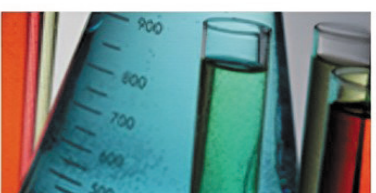
Your Company ventured into the energy business segment i.e. supplying of Coal. Vikas Ecotech Limited, in constant pursuit of expanding the product profile to newer and promising business segments, has been eyeing the energy business segment

which has been the underpin for a fast and balanced growth for the Indian as well as the Global Economies. With recent crisis situation in the energy segment rooting from the Russia-Ukraine war whereas the daily global news including India have a pertinent component i.e., the global shortage of energy feedstock including the coal, has prompted the Business Development wing to tap into the energy business, which the team managed almost instantly. Under the umbrella of energy business Your Company has also been exploring opportunities in the renewable energy businesses like the Gas Distribution business, The Solar Power and the Hydrogen Cell power gensets for commercial applications.

Market Potential:

The high energy demand is expected to drive the coal industry to generate electricity. Coal is a key product for electricity generation owing to its abundant availability and low cost compared to other electricity generation technologies. These factors are expected to propel the growth of the market during the forecast period. The supply chain of the coal power generation model was majorly affected due to the shutdown of production facilities owing to lockdowns imposed in the majority of the countries around the globe. In addition, local and international travel restrictions, quarantine requirements, and lockdowns further delayed the shipments of manufactured parts that were in process of delivery.

End use of our products & markets captured

 <p>Agriculture</p> <ul style="list-style-type: none"> · Technology driven solution · Sustainable environment 	 <p>Automotive & Allied</p> <ul style="list-style-type: none"> · Provides custom formulations · Caters to aftermarket accessory 	 <p>Food Packaging</p> <ul style="list-style-type: none"> · Leading provider of FDA approved additives · Ensures safety in food contact applications
 <p>Footwear</p> <ul style="list-style-type: none"> · Specialty plastic compounder for footwear industry · Used in boots and others 	 <p>Healthcare & Pharma</p> <ul style="list-style-type: none"> · Supplier for safety-critical medical products, devices & packages 	 <p>Infrastructure</p> <ul style="list-style-type: none"> · Supplies toxin-free flame retardant additives
 <p>Plastics & Polymers</p> <ul style="list-style-type: none"> · Additives and compound · Supplier to plastic industry 	 <p>Wires & Cables</p> <ul style="list-style-type: none"> · Imparts halogen free flame retardant in end products 	 <p>Other Industries</p> <ul style="list-style-type: none"> · Creation of custom compound for various industries

Environmental Health and Safety

Chemicals have become an indispensable part of human life, sustaining activities and development, preventing and controlling many diseases, and increasing agricultural productivity. Despite their benefits, chemicals may, especially when misused, cause adverse effects on human health and environmental integrity. Widespread application of chemicals throughout the world increases the potential of adverse effects.

Growth of chemical industries, both in developing and in developed countries, is predicted to increase. In this context, it is recognized that the assessment and management of risks from exposure to chemicals is among the highest priorities in pursuing the principles of sustainable development.

Risks, Concerns, Internal Control Systems and their Adequacy

The major risk that concerns the Company is its business risk. The Company is subjected to a high business risk in terms of its high dependability on other Industries for demand of its products carrying the nature of raw materials.

Periodic checks are carried out on all systems and processes as part of internal audit. The Audit Committee and Board also periodically reviews adequacy of Company's checks and controls for risk management. The Board has developed a Risk Management Policy which identifies elements of business & other risks involved and constantly work towards curbing the same. Adequacy of internal financial controls with reference to the Financial Statements is also assessed and reviewed periodically.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The Statutory Auditors also evaluate the efficacy and adequacy of internal control systems including controls with respect to the financial statements, its compliance with operating systems, accounting procedures and policies in the Company. Corrective actions are undertaken basis findings of audits.

Human Resources

The Company places utmost importance on maintaining cordial employer-employee relations as Human Resource Capital is the most valuable asset for any organization. A reward system has been developed by the Company to compensate efforts of all its employees adequately and recognize their contribution towards its growth. A remuneration policy has also been developed and adopted by the Company which provides for appointment and remuneration of Directors, Key Managerial Personnel and Senior Management.

Disclaimer

Statements in the Management Discussions and Analysis describing the Company's objective, projections, estimates, expectations are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax, corporate and other applicable laws together with the other incidental factors.

NOTICE

Notice is hereby given that the 39th Annual General Meeting of **Vikas Ecotech Limited** will be held on Monday, September 30, 2024 at 04:30 P.M. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS

1. ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

To consider and adopt the Audited Financial Statements for the Financial Year (FY) ended March 31, 2024, together with the reports of the Board of Directors and Auditors thereon and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Audited Financial Statements of the Company for the financial year ended March 31, 2024, along with the reports of Board of Directors and Auditors thereon, as circulated to the Members be and are hereby received, considered and adopted."

2. TO APPOINT A DIRECTOR IN PLACE OF MR. BALWANT KUMAR BHUSHAN (DIN: 09840934), EXECUTIVE DIRECTOR, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR REAPPOINTMENT

To consider and if thought fit, to pass the following resolution as an Ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 (6) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time ("Act"), Mr. Balwant Kumar Bhushan (DIN: 09840934), Executive Director, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Whole-time Director of the Company."

SPECIAL BUSINESS

3. MEMBERS APPROVAL FOR SECURING THE BORROWINGS OF THE COMPANY UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of all the earlier resolutions passed in this regard if any, and subject to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of Rs. 500 crore (Rupees Five Hundred Crore only).

RESOLVED FURTHER THAT any of the Directors and/or Key Managerial Personnel be and are hereby severally authorized to file returns/ forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

4. AUTHORISE THE BOARD TO BORROW MONEY

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as the "Board" which term shall be deemed to include any duly constituted committee thereof) to borrow money on behalf of the Company, from time to time, so that any sum or sums of monies so borrowed together with the monies already borrowed by the Company (apart from temporary loans i.e. loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character) may exceed the aggregate of the paid up share capital of the Company, its free reserves and securities premium, if any, provided that the total amount so borrowed shall not at any time exceed ₹ 500 Crores (Rupees Five Hundred Crores only) or the aggregate of the paid up capital, free reserves and securities premium of the Company, whichever is higher.

RESOLVED FURTHER THAT any of the Directors and/or Key Managerial Personnel be and are hereby severally authorized to file returns/ forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

5. MEMBERS APPROVAL FOR GIVING LOAN AND GUARANTEE OR PROVIDING SECURITY IN CONNECTION WITH LOAN AVAILED BY ANY SPECIFIED PERSON UNDER SECTION 185 OF THE COMPANIES, ACT, 2013

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 185 and all other applicable provisions, if any of the Companies Act. 2013 read with the Companies (Amendment) Act, 2017 and Rules made thereunder, including

any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, and in supersession of all the earlier resolutions passed in this regard if any, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to advance any loan including any loan represented by a book debt, business advance, advance for securing supplies of services / goods on a future date or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company or any other person in whom any of the Directors of the Company Interested / deemed to be interested, up to limits approved by the shareholders of the Company u/s 186 of the Companies Act, 2013, from time to time in their absolute discretion as may be deemed beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

RESOLVED FURTHER THAT any of the Directors and/or Key Managerial Personnel be and are hereby severally authorized to file returns/ forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

6. APPROVAL TO INCREASE LIMITS TO MAKE LOAN AND INVESTMENT EXCEEDING THE CEILING PRESCRIBED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to increase the existing limit to Rs. 500 Crore (Rupees Five Hundred Crore only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, to aforesaid increased limits of Rs. 500 Crores.

RESOLVED FURTHER THAT any of the Directors and/or Key Managerial Personnel be and are hereby severally authorized to file returns/ forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

7. APPROVAL FOR RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT, 2013

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Company's policy on Related Party Transactions, approval of the Members be and is hereby accorded to the Board of Directors of the Company ('Board') to enter into contract(s)/ arrangement(s)/ transaction(s) with a related party(s) within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, for purchase and sale of goods and material for the production of the Company, as the Board may deem fit, up to a maximum aggregate value of Rs. 500 crore (Rupees Five Hundred Crore) at arm's length basis and in the ordinary course of business, for the Financial Year 2024-25.

RESOLVED FURTHER THAT documents, file applications and make representations in respect thereof the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, schemes, agreements and such other and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT any of the Directors and/or Key Managerial Personnel be and are hereby severally authorized to file returns/ forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

By order of the Board
For **Vikas Ecotech Limited**
Rajeev Kumar
Executive Director
DIN: 10271754

Place: New Delhi
Date: September 6, 2024

NOTES

1. An explanatory statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (“Act”) setting out the material facts concerning the businesses to be transacted is annexed hereto. The relevant details, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.
2. In compliance with Regulation 44 of the Securities and Exchange Board of India (LODR) Regulations, 2015, as amended (the “Listing Obligations and Disclosure Requirements Regulations”) and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021, 3/2022 dated May 05, 2022, and 11/2022 dated December 28, 2023, No. 09/2023 dated September 25, 2023.
3. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 10/2022 dated December 28, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
4. Pursuant to the Circular No. 10/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021 and December 28, 2022 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.vikasecotech.com
9. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and NSE India at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com
10. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 2/2021 dated January 13, 2021 and Circular No. 10/2022 dated December 28, 2022.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on September 27, 2024 at 9:00 A.M. and ends on September 29, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode. How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kumargpankaj@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- 1) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to (Company email id).
- 2) In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- 3) Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

- 4) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

- 1) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- 2) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- 3) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- 4) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- 1) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- 2) Members are encouraged to join the Meeting through Laptops for better experience.
- 3) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

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

ITEM NO. 3

Section 180(1)(a) of the Companies Act, 2013 empowers the Board of Directors to sell lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the general meeting.

Hence, it proposed to seek necessary members approval to borrow money from any bank, financial institutions, bodies corporate or business associates or through permitted channel in excess of paid up capital and free reserves of the company by a sum not exceeding Rs. 500 crore and creation of security through mortgage or pledge or hypothecation or otherwise or through combination for securing the limits as may be sanctioned by the lenders, for the loans to be sanctioned by any one or more company's bankers and / or by any one or more persons, firms, bodies corporate, or financial institutions or banks, the Company would be required to secure all or any of the Current assets, moveable properties of the Company present and future.

The resolution as set out at item No. 3 of the notice is placed for your approval of the aforesaid limits of borrowing by the board up to an amount not exceeding Rs. 500 Crore.

The Board recommends the resolution set forth in Item No. 3 for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their shareholding, if any.

ITEM NO. 4

The Company may seek financing from Banks, Financial Institutions, other lending entities, and individuals, both from indigenous sources, or from international markets. This could include bridge finance with potential equity conversion, repayable on demand, in instalments, or as a bullet payment after an agreed tenure. These options will be chosen based on their alignment with the Company's aforesaid strategic financial needs. Accordingly, it is proposed to increase the maximum borrowing limits, in supersession to the all-previous similar approvals to Rs. 500 Crores or the aggregate of the paid-up capital, free reserves and securities premium of the Company, whichever is higher and also to create such charges, mortgages and hypothecations, on the movable and immovable properties of the Company, both present and future, and in such manner as the Board may deem fit, to provide security to the lenders in respect of such borrowings.

Pursuant to section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company may borrow any amount which, together with any amount already borrowed by the Company, exceeds the aggregate amount of the paid-up capital, free reserves and securities premium of the Company, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), only with the consent of the Members of the Company by way of a Special Resolution.

In order to facilitate securing the borrowing made by the Company, it may be necessary to create charge on the assets or whole or substantially the whole of the undertaking of the Company in such manner as the Board may determine in the best interest of the Company (which may lead to its disposal in the unlikely event of any default/ potential default in repayment by the Company). Pursuant to section 180(1)(a) of the Companies Act, 2013, Board of Directors of a Company may sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company only with the consent of the Members by way of a Special Resolution.

The Board recommends the resolution set forth in Item No. 4 for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their shareholding, if any.

ITEM NO. 5

As per the provisions of Section 185 of the Companies Act, 2013, no company shall, directly or indirectly, advance any loan including any loan represented by a book debt, business advance, advance for securing supplies of services / goods on a future date to any of its Directors or to any other person in whom the Director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person. However, in order to promote ease of doing business, the entire Section 185 of the Companies Act, 2013 has been substituted vide Companies (Amendment) Act, 2017 and the same was notified by the Ministry of Corporate Affairs on 7th May, 2018 In terms of the amended Section 185 of the Act, a company may advance any loan, including any loan represented by a book debt, to any person in whom any of the Directors of the Company is interested or give any guarantee or provide any security in connection with any loan taken by any such person, subject to the condition that approval of the shareholders of the Company is obtained by way of passing a Special Resolution and requisite disclosures are made in the Explanatory Statement. The management is of the view that the Company may be required to invest funds in joint ventures, strategic alliance and other entities in the normal course of its business, make business advances or otherwise, give guarantee or provide any security in connection with any loans / debentures / bonds etc. raised by its associate or wholly owned subsidiary or to any other body corporate(s) in which the Directors of the Company may be interested, as and when required. Hence, as an abundant caution, the Board decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Act to advance any loan, including any loan represented by book debt, to its subsidiary company(ies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company is interested or to give guarantee or provide any security in connection with any loans / debentures / bonds etc raised by its subsidiary companies) (Indian or overseas) or other body corporate(s)in

whom any of the Directors of the Company is interested up to an aggregate amount of approved by the shareholder of the Company under Section 186 of the Company Act, 2013 over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more.

The Board recommends the resolution set forth in Item No. 5 for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their shareholding, if any.

ITEM NO. 6

Pursuant to the provisions of Section 186(2) of the Companies Act, 2013 ('Act'), the Company shall not directly or indirectly:

- (a) give any loan to any person or other body corporate;
- (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

Pursuant to the provisions of Section 186 (3) of the 'Act', where the giving of any loan or guarantee or providing any security or the acquisition of securities exceeds the limits specified in Section 186 (2) of the 'Act', prior approval by means of a Special Resolution passed at a General Meeting is necessary. In terms of Rule No.11 (1) of the Companies (Meeting of Board and its Powers) Rules ('Rules'), where a loan or guarantee is given or security has been provided by a company to its wholly-owned subsidiary or a joint venture, or acquisition is made by a holding company, by way of subscription of securities of its wholly-owned subsidiary, the requirement of Section 186 (3) of the 'Act' shall not apply, however it will be included for the purpose of overall limit. In line with the long-term objectives of the Company and for expanding its business further, the Company may be required to give loans or guarantees or make investments in excess of the limits specified in Section 186 (2) of the 'Act'.

And accordingly, it is proposed to seek prior approval of Members vide an enabling Resolution to increase the existing limit to Rs. 500 Crore (Rupees Five Hundred Crore) over and above the limit of 60% of the paid-up share capital, free reserves, and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more as specified in Section 186 (2) of the 'Act' at any point of time.

The resolution is accordingly recommended for approval of the Members by way of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice, except to the extent of their shareholding, if any.

ITEM NO. 7

To ensure continuous business operation without any interruption, approval of the shareholders is being sought, to enter into related party transaction(s) with related party(s) as defined under within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, to purchase and sale of goods and material for an amount of Rs. 500 crore (Rupees Five Hundred Crore) during Financial Year 2024-25.

Background and Details of the Transaction:

Cost effective and assured supply of goods/services, of desired quality, is a key requirement for the Company. The Company intends to procure material from related party(s) to have consistent control over quality of the supplies. This transaction will not only help the Company to ensure wholesale and retail trading of business operations smoothly but also ensure consistent flow of desired quality and quantity of goods available for uninterrupted operations and business activities.

Approval being sought for Financial Year 2024-25 as per the requirements of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), all material related party transactions shall require the approval of Members through a Resolution. Further, the explanation to Regulation 23(1) of the SEBI Listing Regulations states that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during the financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. The estimated value of transaction with related party(s) for Financial Year 2024-25 will be Rs. 500 Crore, which would breach the materiality threshold of 10% of the annual turnover of the Company as per last audited financial statements of FY 2023-24. Hence, to ensure uninterrupted operations of the Company, it is proposed to secure shareholders' approval for the related party contracts/ arrangements to be entered into with related party(s) during Financial Year 2024-25, as mentioned in item No. 7 of the Notice. For necessary information as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, members are requested to please refer AOC-2 and Notes of Audited Annual Accounts of the Company for the financial year ended March 31, 2024.

Detail(s) about Arm's Length Pricing/ Ordinary Course of Business

The related party contract/transaction mentioned in this proposal meets the arm's length testing criteria and also qualifies as contract under ordinary course of business.

The said transactions have been recommended by the Audit Committee and Board of Directors of the Company for

consideration and approval by the Members. The Board recommends the Special Resolution set forth at Item No. 7 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice, except to the extent of their shareholding, if any.

Place: New Delhi
Date: September 6, 2024

By order of the Board
For **Vikas Ecotech Limited**
Rajeev Kumar
Executive Director
DIN: 10271754

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and issued circulars stating that the service of notice/documents including Annual Reports can be sent through e-mail to its members. To support this green initiative of the Government in full measure members who have not registered their e-mail address so far are requested to register their e-mail addresses in respect of electronic holding with the Depository through their concerned Depository Participants and in respect of holding in physical mode with the Company/Registrar and Share Transfer Agent of the Company.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meeting

Particulars	Mr. Balwant Kumar Bhushan
DIN	09840934
Nationality	Indian
Date of first appointment on the Board	May 13, 2023
Qualification	Bachelor of Commerce and Cost Accountant
Experience and Expertise	Rich experience in the field of Accounts/Finance/Internal Audit/ Taxation. He is also having good knowledge of Corporate Law, Strategic/Financial Planning, Working Capital Management, Filings, Statutory Compliances and MIS among other aspects of corporate functioning.
Directorship held in other Companies (excluding foreign Companies, Private Companies and Section 8 Companies)	Nil
Chairmanship/ Membership of Committees in other Companies (only two Committees viz. Audit Committee and Stakeholders Relationship Committee have been considered)	Nil
Relationship with other directors, manager and other key managerial personnel of the Company	Not related
No. of shares held	Nil
Number of meetings attended during the year	12
Terms & conditions of appointment/ re-appointment	The details have been provided in the Resolution forming part of this Notice
Remuneration sought to be paid and remuneration last drawn	Remuneration same as approved by the members at AGM held on September 29, 2023

BOARD REPORT

Dear Members,

Your Directors' take pleasure in presenting the 39th (Thirty-Nine) Annual Report on the business and operations of Vikas Ecotech Limited ("the Company") along with the Audited Financial Statements for the year ended March 31, 2024.

COMPANY OVERVIEW

Vikas Ecotech Limited established in the year 1984, primarily engaged in the business of manufacturing of Specialty Chemicals focused on Specialty Chemical Additives and Specialty Polymer Compounds. Our Company is also ISO 9001:2015 certified company. Over the years, we have established ourselves as a successful manufacturer of Specialty Chemicals Additives and Specialty Polymer Compound. Our products cater various industries such as agriculture and infrastructure, packaging, organic and inorganic chemicals, electrical, FMCG, footwear, pharmaceuticals, automotive, medical devices and components and other consumer goods.

FINANCIAL PERFORMANCE

The financial performance of the Company for the year 2023-24 is summarized below:

(Rupees in Lakhs)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Net Sales /Income from Business Operations	24659.96	40266.89	25863.39	40266.89
Other Income	310.53	317.80	383.15	317.80
Total Income	24970.49	40584.69	26246.53	40584.69
Cost of material consumed	8796.49	14067.98	9518.04	14067.98
Purchase of traded goods	11925.46	22482.17	12518.92	22482.17
Inventories of finished goods, WIP, traded goods	676.52	(155.13)	469.76	(155.13)
Employee Benefit Expense	338.39	254.76	352.84	254.76
Financial Costs	658.24	1036.76	658.47	1036.76
Other Expenses	1289.79	1453.00	1408.64	1453.00
Depreciation	375.23	396.19	377.66	396.19
Profit before Exceptional items	910.36	1048.96	942.22	1048.96
Less: Exceptional items	-	-	-	-
Net Profit/Loss Before Tax	910.36	1048.96	942.22	1048.96
Less: Current Tax	255.26	58.94	268.76	58.94
Less: Previous year adjustment of Income Tax	24.99	37.08	25.00	37.08
Less: Deferred Tax	(31.25)	0.23	(36.20)	0.23
Profit/Loss for the Period	661.35	952.72	684.65	952.72
Basic and Diluted Earnings Per Share	0.05	0.10	0.06	0.10

During the year under review, the Company achieved a turnover of Rs. 24659.96 Lakhs as against Rs. 40266.89 Lacs for previous year whereas, the profit of the Company for the period under review were Rs. 661.35 Lakhs as compared to profit of the company Rs. 952.72 Lakhs in the previous year.

During the year under review, the Company achieved a consolidated turnover of Rs. 25863.39 Lakhs as against Rs. 40266.89 Lacs for previous year whereas, the profit of the Company for the period under review were Rs. 684.65 Lakhs as compared to profit of the company Rs. 952.72 Lakhs in the previous year.

The financial statements for the year ended March 31, 2024, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

CAPITAL STRUCTURE

Authorized Share Capital

The Authorized Share Capital of the Company as on March 31, 2024 was Rs. 200,00,00,000 divided into 200,00,00,000 Equity Shares of Re.1 each.

Paid-up Share Capital

As on March 31, 2024, the Issued and Paid-up Share Capital of the Company stood at Rs. 138,83,56,024/- divided into 138,83,56,024 fully paid-up equity shares of face value of Re. 1/- per share.

a) Qualified Institutions Placement

During the year under review, pursuant to members' approval, stock exchanges and other statutory approvals, the Company has issued certain equity shares on Qualified Institutions Placement of equity shares of face value of Re. 1 under the provisions of Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure

Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”), and Sections 42 and 62 of the Companies Act, 2013. The gist of Qualified institutions placement (QIP) is given below:

Particulars	Qualified Institutional Placement Trench-1	Qualified Institutional Placement Trench-2
Date of Board Approval	January 30, 2023	January 30, 2023
Date of members approval	February 27,2023	February 27,2023
Relevant Date	May 31, 2023	August 29, 2023
Date of opening of Issue	May 31, 2023	August 29, 2023
Date of closing of Issue	June 12, 2023	September 13, 2023
Issue Size	4998.00 Lakhs	4999.68 Lakhs
No. of Shares allotted	17,85,00,000	16,12,80,000
Floor Price (Rs.)	2.92	2.95
Issue Price (Rs.)	2.80	3.10
Date of Allotment	June 12, 2023	September 13, 2023

b) **Preferential Issue**

The members of the company accorded their assent for the issuance of up to 10,00,00,000 fully Convertible Warrants, carrying a right exercisable to subscribe to one Equity Share, to persons belonging to ‘Promoter Group’ on preferential basis at an issue price of Rs. 3.40/- per Warrant/Equity Share of Re. 1/- each (including a premium of Rs. 2.40/- per Equity Shares) in the 38th Annual General Meeting held on September 29, 2023.

The Company has realized 25% upfront money on November 01, 2023 against the 10,00,00,000 entire warrants allotted for which pre-preferential approval was sought made on November 01, 2023. Further, the Company has also realized the balance 75% allotment monies from allottee as follows:

Date of receipt of funds	Date of Conversion	Warrants converted	Outstanding Warrants
December 1, 2023	December 6, 2023	3,00,00,000	7,00,00,000
December 6, 2023	December 7, 2023	3,50,00,000	3,50,00,000
December 12, 2023	December 12, 2023	3,50,00,000	0
Total		10,00,00,000	-

CHANGE IN NAME OF THE COMPANY

During the period under review, there was no change in the name of the Company.

LISTING OF SECURITIES

The Equity Shares of your Company are listed and traded at:



BSE Limited
Phirozee Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001



National Stock Exchange of India Ltd
Exchange Plaza, Bandra-Kurla
Complex, Bandra (E), Mumbai - 400051

FIXED DEPOSITS

We have not accepted any fixed deposits, including from the public, and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) Management Discussion and Analysis report (“MD&A Report”) providing a detailed overview of your Company’s performance, industry trends, business and risks involved is provided separately and is forming part of the Annual Report.

SUBSIDIARY COMPANIES, JOINT VENTURE AND CONSOLIDATED FINANCIAL STATEMENTS

During the year, under review your Company does not have any joint venture or associates. Details of the Wholly-owned Subsidiary of the Company are as follows:

The Company has successfully completed the process of acquisition of 100% stakes in the Polymeric Plasticizer Manufacturing company M/s Vikas Organics Pvt Ltd (CIN: U74899DL1992PTC050138) on February 23, 2024.

Vikas Organics Pvt Ltd has a network of highly skilled and motivated marketing team spread nationwide consisting of agents & distributors and a growing list of industry leaders as customers. Vikas Organics Pvt Ltd products have earned approvals and a wide acceptance across the globe with about 17% of their current production exported to various countries including the U.S.A., K.S.A. and other countries.

DIVIDEND

To conserve the resources for the expansion of business in the long run, your Company has not recommended any dividend for the Financial Year 2023-24 and has decided to retain the profits.

CORPORATE GOVERNANCE AND ETHICS

The Company believes in adhering to the best corporate governance practices and its philosophy emphasizes on fair and transparent governance and disclosure practices which helps your Company to follow the path of its vision and mission. It strongly believes in developing best corporate governance policies and procedures based on principles of fair and transparent disclosures, equity, accountability and responsibility.

A detailed report on Corporate Governance, in terms of Regulation 34 of the Listing Regulations is forming part of the Annual Report. A certificate confirming compliance with requirements of Corporate Governance as enumerated under the extant provisions of Listing Regulations issued by Mr. Pankaj Kumar Gupta, Proprietor of Kumar G & Co., Company Secretaries is also annexed to the said report.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

In line with the provisions of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) policy for development of programme and projects for the benefit of weaker sections of the society and to promote the education within the local limits and the same has been approved by Corporate Social Responsibility Committee (CSR Committee) and the Board of Directors of the Company. The Corporate Social Responsibility (CSR) policy of the Company provides a road map for its CSR activities.

The Company has duly constituted a committee under the nomenclature of Corporate Social Responsibility Committee consisting of majority of non-executive independent Directors responsible for monitoring and reviewing the policy from time to time and to ensure the proper compliance.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

a) Board of Directors

The Board of Directors provides strategic direction and supervision to an organization. Your Company's Board consists of learned professionals and experienced individuals from different fields.

Presently, the Board comprised of Three Executive Directors and three Non-Executive Directors (Independent Directors) including one woman Director on the Board.

During the period under review, there was change in the composition of Board of Directors. Details of the same are mentioned below:

1. Mr. Dinesh Bhardwaj (DIN: 07719674) was resigned from the positions of Executive Director and Chief Executive Officer of the Company w.e.f. May 1, 2023.
2. Mr. Balwant Kumar Bhushan (DIN: 09840934) was appointed as an Executive Director and Chief Executive Officer of the Company w.e.f. May 13, 2023.
3. Appointment of Mr. Rajeev Kumar (DIN: 10271754) as an Additional Director (Category: Executive) of the Companies Act, 2013 w.e.f. i.e. August 10, 2023.
4. Resignation of Mr. Vivek Garg (DIN: 00255443), from the post of Non -Executive Director of the company w.e.f. August 10, 2023.

The information of Directors, seeking appointment/re-appointment, pursuant to Regulation 36(3) of the Listing Regulations and Companies Act, 2013 is provided in the notice of the 39th Annual General Meeting of the Company.

The Board is grateful for their support and places on record its appreciation for the responsibilities shouldered by them in their respective roles.

b) Key Managerial Personnel

The Board of your Company consisted of the following Key Managerial Personnel (KMP'S) as on the year ended March 31, 2024:

Managing Director	Mr. Vikas Garg
Chief Executive Officer & Whole-Time Director	Mr. Balwant Kumar Bhushan

Chief Financial Officer	Mr. Amit Dhuria
Company Secretary	Mr. Prashant Sajwani

c) **Declaration of Independence**

The Independent Directors have confirmed that they meet the criteria of Independence as stipulated under Section 149(6) of the Companies Act, 2013 read with the Regulation 16(1)(c) of the Listing Regulations and they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence as an Independent Director of the Company.

The Board conforms to the declaration of the Independent Directors and there being no doubts as to veracity of the same, places the same on record.

d) **Board Committees**

In compliance with the requirements of Companies Act, 2013 and Listing Regulations your Board had constituted various Board Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

Details of scope, constitution, terms of reference, numbers of meetings held during the year under review along with attendance of Committee Member are provided under Corporate Governance Report forming part of the Annual Report.

e) **Board Evaluation**

In line with the statutory requirements enshrined under the Companies Act, 2013 and the Listing Regulations, the Board carried out a performance evaluation of itself, its Committees, the Chairman and each of the other Directors. The performance evaluation was carried out on the basis of framework approved by the Nomination and Remuneration Committee. The Committee had unanimously consented for an 'in-house' review built on suggestive parameters. Based on the suggestive parameters approved by the Nomination and Remuneration Committee, the following evaluations were carried out:

- Review of performance of the non- independent Directors and Board as a whole by Independent Directors.
- Review of the performance of the Chairperson by the Independent Directors.
- Review of Board as a whole by all the Members of the Board.
- Review of all Board Committees by all the Members of the Board.
- Review of Individual Directors by rest of the Board Members except the Director being evaluated.

AUDIT AND AUDITORS

a) **Statutory Auditor**

M/s. KSMC & Associates, Chartered Accountants (FRN: 003565N), were re-appointed as Statutory Auditors of the Company at the 36th Annual General Meeting held on September 27, 2021 for a period of 5 years and they will remain in office until the conclusion of 41st AGM to be held in the financial year 2026-27.

Further, there are no qualifications, reservations or adverse remarks except which are self-explanatory in the Report issued by M/s KSMC & Associates, Statutory Auditors, for the financial year ended March 31, 2024. The Statutory Auditors have also not reported any incident of fraud to the Audit Committee during the year under review. Remarks made in the Auditors' Report are self-explanatory and do not call for any further comments from your Directors.

b) **Secretarial Auditor**

M/s. Kumar G & Co., Company Secretaries were appointed as the Secretarial Auditors of your Company to carry out the Secretarial Audit for the financial year under review. The Secretarial Audit Report issued by the Secretarial Auditors in Form No. MR-3 is annexed with this Report.

In terms of extant provisions of Listing Regulations read with SEBI circulars issued on the subject, a Secretarial Compliance Report was also obtained by the Company from the Secretarial Auditors and the same was also intimated to the Stock Exchange.

There are some qualifications or reservations in the Secretarial Audit Report and in the Annual Secretarial Compliance Report. The reports of the same are annexed in this Annual Report.

c) **Cost Auditor**

As per the extant provisions of Section 148 of the Companies Act, 2013, the cost records for the products requiring cost audit have been maintained by the Company in a timely and proper manner, the same was also made available to the Cost Auditors of the Company for their audit. M/s. JSN & Co., Cost Accountants, was engaged to carry out Audit of Cost Records of the Company during Financial Year 2023-24.

VIGIL MECHANISM

The Board of Directors of the Company has established a Policy on Vigil Mechanism for the Directors/KMP and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behavior, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company. Direct access is provided to the whistle blowers to reach Chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company.

The Company has also provided adequate safeguards against victimization of employees and directors who express their concerns. The copy of Company's vigil mechanism is available at the website of the Company www.vikasecotech.com.

REPORTING UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company believes in principles of gender equality and endeavors to provide a healthy and respectable work environment. It has developed a framework for employees to report sexual harassment cases at workplace and its process ensures complete anonymity and confidentiality of information. During the year under review, no complaints of any event/occurrence of an act of sexual harassment were reported/noticed by the management.

RELATED PARTY TRANSACTIONS

Your Company follows the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length basis as part of its philosophy of adhering to highest ethical standards, transparency and accountability. In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions. The same is available on the Company's website www.vikasecotech.com.

Omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseeable and repetitive nature, in all other cases prior approval of Audit Committee is taken for entering into a related party transaction. All Related Party Transactions are placed on a quarterly basis before the Audit Committee and before the Board for their review.

Further, pursuant to the provisions of Section 188 read with the relevant rules the Company has also considered to take the prior and blanket approval for the routine transactions with its related parties for entering into any transaction(s) creeping the limit specified in the aforesaid section.

During the year, no material contracts or arrangements with related parties not in Ordinary course of business or on arm's length basis were entered. Further, details of related party transactions are provided under notes to financial statements and Form AOC-2 is annexed with the Board Report.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Audit Committee and Board periodically reviews adequacy of Company's checks and controls for risk management. The Board has developed a Risk Management Policy which identifies elements of business & other risks involved and constantly work towards curbing the same. Adequacy of internal financial controls with reference to the Financial Statements is also assessed and reviewed periodically. Your Board is of the view that the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company.

In addition, testing of adequacy of internal controls was also carried out independently by the Statutory Auditors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirm that:

- a) the Financial Statements of the Company - comprising of the Balance Sheet as at 31st March, 2024 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis;
- b) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- c) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- d) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- e) the internal financial controls to be followed by the company were laid down and such internal financial controls were adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

OTHER DISCLOSURES

a) **Details of Significant and Material Orders passed by the regulators/Courts/Tribunals impacting the Going Concern Status and the Company's Operations in Future**

There are no significant and material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations except the SEBI Order(s) which are as follows:

1) **SEBI Adjudication Order No. Order/SS/RK/2023-24/28342-28349] dated July 27, 2023 for Trading activities by certain entities in the scrip of "Vikas Ecotech Limited"**

Imposition of penalty of Rs. 15,00,000 via Adjudication Order No. Order/SS/RK/2023-24/28342-28349 dated July 27, 2023 imposed on promoter/ promoter group, under Section 15A(b) of the SEBI Act, 1992.

2) **SEBI Order No. SEBI/HO/CFID/CFID-SEC6/P/OW/2024/4196/1 dated January 30, 2024**

SEBI believes that the business transactions of the Company have not been properly dealt with in financial information Disclosures and appointed Forensic Auditor w.r.t. the financial years ending March 31, 2019, March 31, 2020, March 31, 2021 and March 31, 2022.

b) **Particulars Regarding Conservation of Energy and Research and Development and Technology Absorption**

Details of steps taken by your Company to conserve energy through its "Sustainability" initiatives, Research and Development and Technology Absorption have been disclosed as part of the Annual Report.

c) **Secretarial Standards**

During the year under review the Company has complied with all applicable Secretarial Standards issued by Institute of Company Secretaries of India.

d) **Deposits**

The Company has neither accepted any deposits during the year under review nor has any outstanding deposits from any of earlier years for repayment.

e) **Remuneration of Directors, Key Managerial Personnel and Particulars of Employees**

Disclosures pertaining to the remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are forming part of the Annual Report.

f) **Remuneration Policy**

The Company has a remuneration policy which provides for basis for fixation of remuneration of Directors, Key Managerial Personnel and Senior Management Officials of the Company. The remuneration policy of the Company is largely based on factors like hierarchy, industry practices and performance of respective individuals.

g) **Particulars of Loans, Guarantees or Investments**

In terms of Section 186 of the Companies Act, 2013, particulars of inter-corporate loans, guarantees and investments are provided in the notes to Financial Statements.

h) **Details of Application made or proceeding pending under Insolvency and Bankruptcy Code, 2016**

During the year under review, there was no application made or proceedings pending in the name of the company under the Insolvency Bankruptcy Code, 2016.

i) **Details of difference between valuation amount on one time settlement and Valuation while availing loan from Banks and Financial Institutions**

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial institutions.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Acquisition of 100% stake in Shamli Steels Private Limited

Post the period under review, the Board of Directors of the Company in their meeting held on March 11, 2024 considered and approved issuance of Equity Shares of the Company to non-promoters on preferential issue basis (Share Swap) in lieu of acquisition of 100% stake in Shamli Steels Private Limited, in accordance with the provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable rules, regulations and guidelines of SEBI and applicable provisions of Companies 2013.

Further, the Company through Postal Ballot held on April 17, 2024 and In-principle approval(s) received from both the Stock Exchanges, namely BSE Limited and National Stock Exchange of India Limited dated May 3, 2024. The Board through its meeting held on May 18, 2024 approved the allotment of 38,03,50,000 Equity shares of face value of Re. 1/- each at an issue price of Rs. 4.20/- (Rupees Four and Twenty Paise Only) per equity shares (including a

premium of Rs. 3.20/-) per share, to the following persons belonging to “Non-Promoters, Public Category” who are the shareholders of M/s. Shamli Steels Private Limited (“Target Company”), on preferential basis, on share swap basis in the ratio of 20:1 i.e. every 20 (Twenty) Equity Share of Vikas Ecotech Limited is exchanged for one (1) Equity Share of the Shamli Steels Private Limited, towards the acquisition of 100% stake in M/s Shamli Steels Private Limited on certain terms and conditions. By virtue of this allotment, M/s Shamli Steels Private Limited become wholly owned subsidiary of the Company.

GRATITUDE TOWARDS STAKEHOLDERS

The Board expresses its gratitude to all the customers, shareholders, suppliers, bankers, business partners/ associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company and its sincere appreciation to all the employees for their hard work and commitment, their dedication and competence has ensured that the Company continues to be a significant and leading player in the industry while serving and keeping the interest of its stakeholders and the society at large.

**For and on behalf of Board
Vikas Ecotech Limited**

**Place: New Delhi
Date: 06.09.2024**

**Gyan Prakash Govil
(Chairman)
DIN: 08477296**

**Vikas Garg
(Managing Director)
DIN: 00255413**

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION

Energy Conservation measures taken, Steps taken for utilizing alternate source of energy, Capital investment on energy conservation equipment:

The Company had commissioned 300 KW of solar panels at Rajasthan and had installed a centralized power house on a single High-Tension line in place of separate connections for individual unit at its manufacturing facility in Rajasthan. Both these measures had improved efficiency and cost savings for the company.

The company commissioned three dry cutting machines. This will help in generation of cost savings and water conservation for the company and the society.

These are specifically designed panels ensuring optimum use of the electricity being consumed at our factories.

The power factor calculations on our electricity consumption calculations show that Vikas Ecotech Limited is nearing perfect results in getting the best output from the electrical energy consumed in the plants.

The Company closely monitors the throughput of all the machines to ensure that every part of the electrical energy consumed is justified with nearly nil wastage of energy.

Proper production planning also contributes positively to avoid wastage of electrical energy & optimum outputs.

Water conservation, Water extraction, storage, desalinization (softening hard water, filtration for further use in process) also involves considerable consumptions of electrical energy.

The Company plants have the rainwater harvesting systems in place which not only help conserve water but also the electrical energy involved in extraction of the volume of water thus collected.

The Company shall continue its endeavors to improve energy conservation and utilization

TECHNOLOGY ABSORPTION TECHNOLOGY ABSORPTION

1) **Efforts made in technology absorption & Benefits derived:**

Major initiatives are being taken to upgrade the various processes by making use of latest and better techniques. Efforts are being made to make best use of available infrastructure and at the same time importing new technology to bring out efficiency and economy. As a step towards it, the Company has procured highly sophisticated machinery at Shahjahanpur, Rajasthan, for commencing production of an additional range of Polymer Additives.

Research & Development (R & D)

a) **Specific Areas in which R & D carried out by the Company:** During the year, the Company has inclined its efforts in the development of its production efficiency by improving its methods and technology.

b) **Benefits derived as a result of above R&D:** Increased in market share.

c) **Future Plan of Action/Expansions Plans:** As the relevant industry is gearing upto cater to the growing demand, Vikas Eco Tech Limited, is all set to expand their business in a big way in the coming years. The company is also progressive in installation of additional line to increase the production of Polymer and Polyester Compound at its existing plant located at Shahjahanpur, Alwar, Rajasthan.

With a host of expansion plans, the Company is confident of achieving new heights in the coming years.

2) **Imported Technology (imported during last 3 years reckoned from beginning of the financial year)**

None

3) **Expenditure incurred on Research and Development (R&D)**

The Company has incurred expenditure of Rs. 37.40 Lakhs (including capital and revenue expenses) towards Research and Development.

FOREIGN EXCHANGE, EARNINGS AND OUTGO

During the Financial Year 2023-24, the Company had foreign outgo of Rs. 26.90 Crores

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act,2013 including certain arm's length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis: **NIL**

Details of contracts or arrangements or transactions at Arm's length basis:

S. No.	Name (s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Terms of the contracts or arrangements or Transaction including the value, if any	Date of approval by the board	Amount paid as advances, if any
1.	Vikas Organics Private Limited*	Wholly owned subsidiary	Sales	N.A.	15,93,000	N.A.	N.A.
2.	Mrs. Seema Garg	Relative of Director	Rent Paid	N.A.	5,37,000	N.A.	N.A.
3.	Mr. Vikas Garg	Managing Director	Remuneration	N.A.	12,20,000	N.A.	N.A.
4.	Mr. Rajeev Kumar	Director	Remuneration	N.A.	5,58,946	N.A.	N.A.
5.	Mr. Balwant Kumar Bhushan	Director	Remuneration	N.A.	5,34,194	N.A.	N.A.
6.	Mr. Dinesh Bhardwaj	Key Managerial Personnel	Remuneration	N.A.	1,42,333	N.A.	N.A.
7.	Mr. Amit Dhuria	Key Managerial Personnel	Remuneration	N.A.	22,83,000	N.A.	N.A.
8.	Mr. Prashant Sajwani	Key Managerial Personnel	Remuneration	N.A.	10,21,000	N.A.	N.A.

Notes:

- M/s. Vikas Organics Pvt. Ltd w.e.f. February 15, 2024, is a subsidiary of M/s Vikas Ecotech Limited, so related party transactions have been considered w.e.f February 15, 2024.
- Mr. Dinesh Bhardwaj was resigned from the positions of Executive Director and Chief Executive Officer of the Company w.e.f. May 1, 2023.
- Mr. Balwant Kumar Bhushan was appointed as an Executive Director and Chief Executive Officer of the Company w.e.f. May 13, 2023.
- Appointment of Mr. Rajeev Kumar as an Executive Director of the Companies Act, 2013 w.e.f. i.e. August 10, 2023.

**For and on behalf of Board
Vikas EcoTech Limited**

**Gyan Prakash Govil
(Chairman)
DIN: 08477296**

**Vikas Garg
(Managing Director)
DIN: 00255413**

**Place: New Delhi
Date: 06.09.2024**

DISCLOSURE OF MANAGERIAL REMUNERATION U/S 197 OF COMPANIES ACT, 2013

Details pertaining to remuneration as required u/s 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year, the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

Name	Designation	Ratio of Remuneration of each Director and KMP to the median remuneration of employees	Percentage Increase in Remuneration*
Vikas Garg	Managing Director	5.00:1	N.A
Rajeev Kumar	Executive Director	3.50:1	N.A
Balwant Kumar Bhushan	Executive Director	2.50:1	N.A
Amit Dhuria	Chief Financial Officer	9.25:1	5.71
Prashant Sajwani	Company Secretary	4.25:1	21.43

- The percentage increase in the median remuneration of employees in the financial year.**

There was increase in the remuneration of employees during the year 2023-24 as specified above.

- The number of permanent employees on the rolls of the Company.**

The number of permanent employees on the rolls of the Company as on March 31, 2024 is 109 across all the locations.

- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

There is no reportable/exception increase in average percentile increase in Managerial Personnel as compare with average percentile increase in salary of employees other than managerial personnel, during the year 2023-24.

It is hereby affirmed that the remuneration paid during the year is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of Board
Vikas EcoTech Limited

Gyan Prakash Govil
(Chairman)
DIN: 08477296

Vikas Garg
(Managing Director)
DIN: 00255413

Place: New Delhi
Date: 06.09.2024

CORPORATE GOVERNANCE REPORT

Companies' philosophy on Code of Governance: -

In Vikas Ecotech Limited, Corporate Governance philosophy stems from our belief that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence.

"Corporate Governance is a system by which corporate entities are directed and controlled, encompassing the entire mechanics of the functioning of a Company. Good Corporate Governance practices are a sine qua non for sustainable business that aims at generating long term value to all its shareholders and other stakeholders."

The Company believes that Corporate Governance is not just limited to creating checks and balances; it is more about creating organizational excellence leading to increasing employee and customer satisfaction and shareholder value. The Company always endeavors to leverage its human and capital resources to translate opportunities into reality, create awareness of corporate vision and spark dynamism and entrepreneurship at all levels.

Guided by our core values; Responsibility, Integrity, Innovation and customer delight, your Company governance framework is driven by the objective of enhancing long term stakeholder value without compromising on ethical standards and corporate social responsibilities. Efficient corporate governance requires a clear understanding of the respective roles of the Board of Directors ("**Board**") and of senior management and their relationships with others in the corporate structure.

The Company believes that the governance practices must ensure adherence and enforcement of the sound principles of Corporate Governance with the objectives of fairness, transparency, professionalism, trusteeship and accountability, while facilitating effective management of the businesses and efficiency in operations. The Board is committed to achieve and maintain highest standards of Corporate Governance on an ongoing basis.

1) BOARD OF DIRECTORS

As on 31st March, 2024, the Board comprised of Three Executive Directors and Three Non-Executive Directors, all of them were Independent Directors.

The composition of Directors as on March 31, 2024 is set out in the table below:

DIN	Name of Directors	Designation
00255413	Mr. Vikas Garg	Managing Director
09840934	Mr. Balwant Kumar Bhushan	Executive Director & CEO
10271754	Mr. Rajeev Kumar	Executive Director
08477296	Mr. Gyan Prakash Govil	Non-Executive-Independent Director
01018072	Mr. Ravi Kumar Gupta	
08825445	Ms. Kratika Godika	

Your Company has a well-diversified Board and all the Independent Directors satisfy the criteria of independence as prescribed under the Companies Act, 2013 and the Listing Regulations. Our Company believes that the Independent Directors bring with them the rich experience, knowledge and practices followed in other Companies resulting in imbibing the best practices followed in the industry.

As stipulated under Schedule V of the SEBI Listing Regulations, core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

a) Appointment and Cessation of Directors

As on date of this report, your Board comprised of Six Directors of whom three are Executive Directors, three are Non-Executive and Independent Directors including one women Director on the Board.

However, during the year under review, there were some changes in the Board Composition as detailed below:

1. Mr. Dinesh Bhardwaj (DIN: 07719674) was resigned from the positions of Executive Director and Chief Executive Officer of the Company w.e.f. May 1, 2023.
2. Mr. Balwant Kumar Bhushan (DIN: 09840934) was appointed as an Executive Director and Chief Executive Officer of the Company w.e.f. May 13, 2023.
3. Appointment of Mr. Rajeev Kumar (DIN: 10271754) as an Additional Director (Category: Executive) of the Companies Act, 2013 w.e.f. i.e. August 10, 2023.
4. Resignation of Mr. Vivek Garg (DIN: 00255443), from the post of Non-Executive Director of the company w.e.f. August 10, 2023.

Your Board has adopted the provisions with respect to appointment and tenure of Independent Directors is consistent with the requirements of the Companies Act, 2013 and the Listing Regulations. At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director.

The composition of the Board of the Company is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Section 149 of the Companies Act, 2013 ("the Act") as on March 31, 2024.

The composition of the Board is an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities effectively and provide leadership to the business.

b) Board Meetings

As a good governance practice and as per the guidance note issued by the Institute of Company Secretaries of India, the Board Meetings held considering the requirements under applicable laws w.r.t minimum number of meetings and maximum permissible time gap between two consecutive meetings. Additional meetings are also convened as and when required.

During the year, The Board duly met 12 (Twelve) times during the year on (i) May 13, 2023 (ii) August 10, 2023 (iii) August 31, 2023 (iv) October 16, 2023 (v) November 1, 2023 (vi) November 8, 2023 (vii) December 6, 2023 (viii) December 7, 2023 (ix) December 12, 2023 (x) January 22, 2024 (xi) February 9, 2024 and (xii) March 16, 2024. The maximum interval between any two meetings did not exceed 120 days.

The agenda papers and detailed notes are circulated to the Board well in advance for every meeting, where it is not practicable to attach any document to the agenda, the same is placed before the Board at the meeting and in special circumstances, additional items on the agenda are taken up at the meeting with the necessary approval of Chairperson and Directors in terms of Companies Act, 2013 read with Secretarial Standards.

The number of Directorship(s)/Committee Membership(s)/Chairmanship(s) of all Directors are within respective limits prescribed under the SEBI Listing Regulations and the Act.

As on March 31, 2024, the details are as follows:

Name of Directors	Designation Category	Attendance Particulars		No. of other directorships and Committee memberships/chairmanships			Directorship in other listed entities	No. of Shares held by directors
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships		
Vikas Garg	Managing Director	12	No	1	2	0	2	17,86,43,933
Vivek Garg	Non-Executive Director	1	No	5	3	0	0	21,550
Gyan Prakash Govil	Independent Director	4	Yes	0	4	1	0	-
Ravi Kumar Gupta	Independent Director	4	Yes	0	3	3	0	-
Kratika Godika	Independent Director	3	No	0	0	0	0	-
Rajeev Kumar	Executive Director	11	No	0	0	0	0	-
Balwant Kumar Bhushan	Executive Director	12	Yes	0	0	0	0	-

There is no Inter-se relationship of any directors except for Mr. Vikas Garg, Managing Director and Mr. Vivek Garg, Non-Executive Director being brothers, they are also Promoter Directors.

c) Matrix Setting out the skills/expertise/competence of the Board of Directors

The Board of Directors has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which is currently available with the Board:

<i>Business</i>	<i>Understanding of business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.</i>
<i>Strategy and Planning</i>	<i>Ability to strategize and plan for achievement of goals of the Company and implementation of the same.</i>
<i>Leadership & Management</i>	<i>Leadership experience, understanding of organization, its systems and processes and ability to lead and direct functions of the Company Management of men, machine and money including the risk involved.</i>
<i>Governance & Compliance</i>	<i>Insight of governance practices, serving the best interests of all stakeholders, accountability, building long term effective stakeholder engagements and driving corporate ethics and values.</i>
<i>Financial acumen</i>	<i>Understanding of financial data and ability to analysis and interpret figures, knowledge of finance as a function of organization, ability to take decisions regarding procurement and usage of funds in most effective manner.</i>

d) **Board Procedure**

Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time. More specifically, we present our annual Strategic Plan and Operating Plans of our business to the Board for their review, inputs and approval. Likewise, our quarterly financial results and annual financial results are first presented to the Audit Committee and subsequently to the Board of Directors for their approval. In addition, specific cases of acquisitions, important managerial decisions, material positive/negative developments and statutory matters are presented to the respective Committees of the Board and later with the recommendation of Committees to the Board for their approval.

The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

e) **Independent Directors**

The Independent Directors have confirmed that they meet the criteria of Independence as stipulated under Section 149(6) of the Companies Act, 2013 read with the Regulation 16 (1) (c) of the Listing Regulations and they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment as an Independent Director of the Company.

In opinion of the Board, the Independent Directors of the Company fulfill the criteria of Independence as per the extant provisions of Companies Act, 2013 and Listing Regulations.

Your Company follows a structured orientation and familiarization programme for Independent Directors which includes familiarizing through reports/codes/internal policies/presentations to enable them to understand their roles and responsibilities, nature of the industry in which the Company operates, business model of the Company, its strategic and operating plans. Further, during the year, presentations were also made from time to time at the Board and its committee meetings, on regular intervals, covering the business and financial performance of the Company, business outlook, budget, expansion plans, succession plans etc. The details of the familiarization programme for the Independent Directors are available on the website of the Company.

A separate meeting of the Independent Directors was held on March 25, 2024 without the presence of Executive Directors or non-independent Directors and members of the management.

2) **BOARD COMMITTEES**

Our Board has constituted sub-committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval.

During the financial year, the Board has accepted the recommendations of Committees on matters where such a recommendation is mandatorily required. There have been no instances where such recommendations have not been considered. There were five sub-committees of the Board as at March 31, 2024.

The Board has constituted Committees for carrying out designated functions assigned under Companies Act, 2013 and Listing Regulations and delegated powers suited to their respective roles.

The Committees constituted by the Board of Directors of the Company are as under:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Executive Committee

The details of the role and composition of Committees of the Board including number of meetings held during the year and attendance thereat are provided below.

a) **Audit Committee (AC)**

The Audit Committee during the year 2023-24 comprised of three members, all are independent Directors including the Chairman. The Chairman of the Committee is an expertise in financial matters and all other members of the Committee are also financially literate.

During the year under review, the Audit Committee met Five (5) times on (i) May 13, 2023 (ii) August 10, 2023 (iii) August 31, 2023 (iv) November 8, 2023 and (v) February 9, 2024. The necessary quorum being present at all the meetings.

The constitution of Committee as on March 31, 2024 and details of attendance of members is as under:

Name of Member	Category	Designation	Meetings Held	Meetings Attended
Mr. Ravi Kumar Gupta	Non-Executive - Independent Director	Chairman	5	5
Mr. Gyan Prakash Govil	Non-Executive - Independent Director	Member	5	5

Mr. Rajeev Kumar	Executive Director	Member	5	5
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The Audit Committee of the Board, reviews, acts on and reports to our Board with respect to various auditing and accounting matters. The primary responsibilities of the Committee, inter alia, are:

- Auditing and accounting matters, including recommending the appointment of our independent auditors to the shareholders.
- Compliance with legal and statutory requirements.
- Integrity of the Company's financial statements, discussions with the independent auditors regarding the scope of the annual audits, and fees to be paid to the independent auditors.
- Performance of the Company's internal audit function, independent auditors and accounting practices.
- Review of related party transactions and functioning of whistle blower mechanism; and
- Evaluation of internal financial controls and risk management systems and policies.

The Chairman of the Audit Committee was present at the Annual General Meeting held on September 29, 2023. All members of the Audit Committee are Independent Directors and financially literate. Statutory Auditors as well as Internal Auditors are invited and attend meetings of the Audit Committee and periodic presentations are also made to the Audit Committee on various issues.

b) Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee comprises 3 (Three) Directors. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee

The Nomination and Remuneration Committee met three times during the financial year 2023-24 on (i) May 13, 2023 (ii) August 10, 2023 and (iii) March 16, 2024.

The constitution of Committee as on March 31, 2024 and details of attendance of members is as under:

Name of Member	Category	Designation	Meetings Held	Meetings Attended
Mr. Ravi Kumar Gupta	Non-Executive - Independent Director	Chairman	3	3
Mr. Gyan Prakash Govil	Non-Executive - Independent Director	Member	3	3
Ms. Kratika Godika	Non-Executive - Independent Director	Member	2	2

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Directors, Key Managerial Personnel and Senior Management Officials as well as their nomination and appointment. The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and The Listing Regulations.

Nomination and Remuneration Committee has adopted a policy which, inter alia, deals with the manner of selection of Board of Directors and payment of their remuneration.

The Committee considers, inter alia, the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Independent Director:

- Qualification, expertise and experience in their respective fields such as Information Technology Business, Scientific Research & Development, International Markets, Leadership, Financial Analysis, Risk Management and Strategic Planning, etc.
- Personal characteristics which align with the Company's values, such as integrity, accountability, financial literacy, high performance standards, etc.
- Diversity of thought, experience, knowledge, perspective and gender in the Board.

In case of appointment of Independent Directors, the Committee satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively. The Committee ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013. In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level.

The Non-Executive Directors are entitled to receive remuneration only by way of sitting fees for participation in the Board/Committee meetings within the overall limits prescribed under the Companies Act, 2013 and reimbursement of expenses for participation in Board/Committee meetings. Independent Directors are not entitled to participate in the stock option schemes of the Company.

Performance of each of the Independent Directors are evaluated every year by the entire Board with respect to various factors like personal traits which include business understanding, communication skills, ability to exercise objective judgement in the best interests of the Company and on specific criteria which

include commitment, guidance to Management, deployment of knowledge and expertise, management of relationship with various stakeholders, independence of behavior and judgment, maintenance of confidentiality and contribution to corporate governance practices within the Company.

c) Stakeholders' Relationship Committee (SRC)

The Stakeholders Relationship Committee comprises 3 (Three) members. The Company Secretary of the Company acts as Secretary to the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee met once during the financial year 2023-24 on March 18, 2024. The constitution of Committee as on March 31, 2024 and details of attendance of members is as under:

Name of Member	Category	Designation	Meetings Held	Meetings Attended
Mr. Gyan Prakash Govil	Non-Executive - Independent Director	Chairman	1	1
Mr. Ravi Kumar Gupta	Non-Executive - Independent Director	Member	1	1
Mr. Vikas Garg	Executive Director	Member	1	1

The Stakeholders relationship Committee carries out the role in compliance with Section 178 of the Companies Act, 2013 and the Listing Regulations. The Committee is responsible for resolving investors' complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate share certificates, transmission of shares and other shareholder related queries, complaints etc.

a) Name and designation of Compliance Officer:

Mr. Prashant Sajwani is the Compliance Officer and Company Secretary of the Company.

b) Status of shareholders' complaints:

During the year under review, no complaints was unresolved at end of the FY 2023-24.

c) Number of Investor Complaints remaining unresolved or not solved to the satisfaction of shareholders:

None, all complaints were resolved to the satisfaction of shareholders.

d) Number of pending complaints:

As at March 31, 2024, no concern or complaint was left unresolved.

d) Corporate Social Responsibility Committee (CSRC)

The Corporate Social Responsibility Committee was formed pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Corporate Social Responsibility Committee as on March 31, 2024 comprises of 3 (Three) members. The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility Committee.

The Composition of Corporate Social Responsibility Committee is given below:

Name of Member	Category	Designation
Mr. Ravi Kumar Gupta	Non-Executive Independent Director	Chairman
Mr. Gyan Prakash Govil	Non-Executive Independent Director	Member
Mr. Vikas Garg	Executive Director	Member

3) GENERAL BODY MEETINGS

a) Location and time, where last three General Meetings held:

Financial year Day and Date	Time	Venue	Special Resolution Passed
FY 22-23 (AGM) September 29, 2023	4:30 PM	through Video Conferencing/ Other Audio-Visual Means (OAVM) facility	Following Special Business Were Transacted: 1) Appointment of Mr. Rajeev Kumar as a Director of the Company 2) Appointment of Mr. Rajeev Kumar as Whole Time Director of the Company 3) Appointment of Mr. Balwant Kumar Bhushan as a Director of the Company

			<ol style="list-style-type: none"> 4) Appointment of Mr. Balwant Kumar Bhushan as Whole Time Director of the Company 5) Increase in Authorized Share Capital of the Company and consequent alteration in capital clause of the Memorandum of Association of the Company 6) To Approve Preferential Allotment of upto 10,00,00,000 fully convertible warrants to the person belonging to the promoter category
FY 22-23 (AGM) February 27, 2023	11:30 AM	through Video Conferencing/ Other Audio-Visual Means (OAVM) facility	<p>Following Special Resolutions were passed:</p> <ol style="list-style-type: none"> 1) Amendment in object clause of the Memorandum of Association of the Company 2) To approve raising of funds through Qualified Institutional Placement (QIP) by the Company 3) To authorize raising of funds through Right Issue of Equity Shares
FY 21-22 (AGM) September 29, 2022	4:30 PM	through Video Conferencing/ Other Audio-Visual Means (OAVM) facility	<p>Following Special Business were transacted:</p> <ol style="list-style-type: none"> 1) Approval of Remuneration of Cost auditor of the Company. 2) Appointment of Mr. Dinesh Bhardwaj as a Director of the Company. 3) Appointment of Mr. Dinesh Bhardwaj as a Whole Time Director of the Company. 4) Amendment in Object Clause of the Memorandum of Association of the Company. 5) Approval to increase limits to make loan and Investment exceeding the ceiling prescribed under Section 186 of the Companies Act, 2013. 6) Approval for Related Party Transaction under section 188 of the Companies Act, 2013.
FY 20-21 (AGM) September 27, 2021	11:30 AM	through Video Conferencing/ Other Audio-Visual Means (OAVM) facility	<p>Following Special Resolutions were passed:</p> <ol style="list-style-type: none"> 1) Amendment to the Articles of Association of the Company. 2) To authorize Capital raising through Right Issue of Equity Shares. 3) Appointment of Ms. Kratika Godika as an Independent Director.

b) Postal Ballot:

During the period under review, no postal ballot was conducted except the following:

FY 23-24 (Postal Ballot) From March 19, 2024 to April 17, 2024	-	through Video Conferencing/ Other Audio-Visual Means (OAVM) facility	<p>Following Special Resolutions were passed:</p> <ol style="list-style-type: none"> 1) Preferential Allotment of upto 38,03,50,000 equity shares by way of swap of shares (for consideration other than cash) for an acquisition of 100% stake of M/s. Shamli Steels Private Limited Amendment to the Articles of Association of the Company. 2) Reclassification from "Promoter Group" category to "Public" Category 3) Re-Appointment of Mr. Ravi Kumar Gupta as an Independent Director of the Company for the Second Term 4) Re-Appointment of Mr. Gyan Prakash Govil as an Independent Director of the Company for the Second Term
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4) GOVERNANCE THROUGH MANAGEMENT PROCESS

a) **Code of Conduct**

The Board and all senior management personnel of the Company are required to abide by the Code of Conduct as laid down by the Board ensuring minimum standards of Business and ethical Conduct. This Code outlines fundamental ethical considerations as well as specific considerations that need to be maintained for professional conduct. This Code has been displayed on the Company's website at www.vikasecotech.com.

A declaration by the Chairman & Managing Director confirming that all the Directors and senior management personnel of the Company have affirmed compliance with Company's Code of Conduct for the financial year ended March 31, 2024 is annexed at the end of this report.

b) **Code for Prevention of Insider Trading**

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and code for practices and procedures for fair disclosure of unpublished price sensitive information. The said code has been made available on the Company's website at www.vikasecotech.com

c) **Policy for Preservation of Documents**

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the time period up to certain documents are to be retained. The policy percolates to all levels of the organization who handle the prescribed categories of documents.

5) DISCLOSURES

a) **Disclosure of Materially Significant Related Party Transactions**

Detailed disclosure on Related Party Transactions including Company's policy has been made as part of Board's Report read with Financial Statements of the Company.

b) **Whistle Blower Policy**

The Whistle Blower & Vigil Mechanism Policy approved by the Board has been implemented and no personnel has been denied access for making disclosure or report under the Policy to the Audit Committee. Detailed disclosure on vigil mechanism of the Company has been made under Board's Report.

c) **Plant Location & Address for Correspondence**

Details of Plant locations and address of correspondence being corporate office of the Company are provided under Corporate Information section of Annual Report.

d) **Certificate on Non-Disqualification of Directors**

A certificate from Practicing Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a Director by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority forms part of this report.

e) **Total fees for all services paid by the Company to the Statutory Auditor and all entities in the network firm/network entity**

The total fees paid to Company's Auditors M/s. KSMC & Associates, Statutory Auditor by the Company for the Financial Year March 31, 2024 is Rs. 12,50,000.

f) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

During the financial year ended March 31, 2024, the Company has not received any complaint in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

g) **CEO / CFO certification**

To comply with the Regulation 17(8) of Listing Regulations, the Chief Executive Officer and Chief Financial Officer has certified that the financial statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards. The said Certificate is also forming part of this Report.

h) **Compliance with mandatory Requirements**

Your Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations except as stated or disclosed otherwise.

A Certificate from M/s Kumar G & CO., Practicing Company Secretary confirming compliance with the conditions of the Corporate Governance as stipulated under the Listing Regulations is forming part of this Report.

i) **Compliance with Non- Mandatory Requirements**

Your Company has also complied with many non- mandatory corporate governance requirements as prescribed under the Listing Regulations details of the same are as follows:

1. **Chairman**

The Board has appointed Mr. Gyan Prakash Govil, an Independent Director as Chairman of the Company.

2. **Separation of office of CEO and Chairman**

The Company has an Independent Director as its Chairman and also appointed a Chief Executive Officer to manage affairs of the Company.

3. **Modified Opinion(s) in Audit Report**

There is no modified opinion(s) in the Auditors Report for the financial year 2023-24 issued by the Auditors of the Company.

4. **Reporting of Internal Auditor**

The Internal Auditor reports to the Audit Committee.

5. **Certificate on Non-Disqualification of Directors**

A certificate from Practicing Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a Director by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority forms part of this report.

6) **MEANS OF COMMUNICATION**

a) **Quarterly Results:**

The Company publishes limited reviewed un-audited financial results on quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.

b) **Newspapers wherein results normally published:**

The financial results are generally published in 'Financial Express' (English) and 'Jansatta' (Hindi).

c) **Website, where Displayed:**

The financial results and the official news releases are also placed on the Company's website at www.vikasecotech.com.

d) **Official news releases:**

The Company regularly publishes an information update on its financial results and also displays official news releases in the 'Investors' section under relevant sections.

7) **SHAREHOLDINGS**

a) **Share Transfer System**

Effective 1st April, 2019, transfer of Shares in physical form is not permissible under Listing Regulations. Shareholders are thus advised to convert their shares in Dematerialized/Electronic form. No transfer or allotment of shares will be approved in physical form. Transfer of Equity Shares in dematerialized form is done through depositories with no intervention of the Company.

b) **Dematerialization Of Shares & Liquidity**

As on March 31, 2024, the entire shareholding of the promoters were held in dematerialized form, further, 99.80% of the total equity shares from the Category other than promoters were held in dematerialized form.

c) **Reconciliation of Share Capital as on March 31, 2024**

SEGMENTS	HOLDINGS	% OF HOLDINGS
CDSL	77,27,53,855	55.66
NSDL	61,31,60,278	44.16
PHYSICAL	24,41,891	0.18
TOTAL HOLDINGS	138,83,56,024	100.00

d) **Distribution of Shareholding as on March 31, 2024**

The shareholding distribution of equity shares as on March 31, 2024 is given hereunder:

Number of Equity Shares Held	Number of Shareholders	% of Total Shareholders	Number of Shares Held
1-5000	476721	93.26	312077104
5001-10000	17479	3.42	137706620
10001-20000	8546	1.67	125082109
20001-30000	3239	0.63	81800939
30001-40000	1222	0.24	43517294
40001-50000	1179	0.23	55875111
50001-100000	1758	0.35	131461516
100001-Above	1034	0.20	500835331

Category wise Shareholding as on March 31, 2024

Description	Total No. of equity Shares held as on March 31, 2024	% Shareholding
Promoters/Promoters Group	18,84,71,181	13.58
Foreign Portfolio Investors Category-1	99,355	0.01
Banks / Financial Institutions / NBFCs	3,005	0.00
Individual Share Capital up to 2 Lacs	92,93,09,445	66.94
Individual Share Capital in excess of 2 Lacs	18,50,73,016	13.33
Non-Resident Indians (NRIs)	3,04,80,134	2.20
Bodies Corporate	2,80,63,510	2.02
HUF	241,29,934	1.74
Clearing Members	27,26,444	0.20

e) **Stock Market Price Data - high, low during each month in last financial year:**

Price details monthly High-Low as compared with broad based Index.

Stock trading details on NSE Symbol: VIKASECO

Period: April, 2023- March, 2024

Month	Open	High	Low	Close	Total traded Volume (in Lakhs)	Turnover (in Rupees Lakhs)
April'23	2.5	2.95	2.50	2.65	389.57	1070.85
May'23	2.70	3.60	2.70	2.90	1187.21	3709.36
June'23	2.95	3.90	2.90	3.20	2619.16	8937.20
July'23	3.25	3.40	2.95	3.05	2072.74	6593.22
Aug'23	3.10	3.35	2.80	3.00	5014.48	15081.08
Sep'23	3.05	5.05	3.00	3.70	6586.94	26245.00
Oct'23	3.75	3.85	3.15	3.35	1282.14	4574.52
Nov'23	3.40	3.75	3.35	3.45	1407.25	5014.03
Dec'23	3.45	4.20	3.15	3.65	5007.53	18421.06
Jan'24	3.65	4.60	3.60	4.40	5360.69	22623.85
Feb'24	4.20	5.65	4.00	4.45	6524.85	30619.47
March'24	4.45	4.60	3.15	3.65	2972.33	11491.12

Stock trading details on BSE Scrip Code: 530961

Period: April, 2023 - March, 2024

Month	Open	High	Low	Close	Total traded Volume (in Lakhs)	Turnover (in Rupees Lakhs)
April'23	2.51	2.95	2.50	2.68	148.59	406.69
May'23	2.68	3.60	2.68	2.92	417.43	1306.23
June'23	2.91	3.90	2.90	3.24	771.95	2586.02
July'23	3.21	3.40	2.96	3.07	852.49	2692.89
Aug'23	3.05	3.32	2.82	2.98	1738.59	5216.80
Sep'23	3.04	5.09	3.00	3.71	2221.76	8832.18
Oct'23	3.71	3.84	3.21	3.34	476.61	1705.25
Nov'23	3.48	3.75	3.37	3.41	448.10	1591.08
Dec'23	3.41	4.21	3.2	3.67	1831.92	6713.76

Jan'24	3.67	4.66	3.62	4.41	2088.90	8789.87
Feb'24	4.20	5.63	4.02	4.47	2374.41	11204.29
March'24	4.47	4.58	3.13	3.67	795.76	3077.64

a) **Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity:**

There are no GDRs/ADRs/Warrants outstanding as on 31st March, 2024

b) **CEO / CFO Certification**

To comply with the Regulation 17(8) of SEBI (LODR) Regulations, the Whole time Director and the Chief Financial Officer have certified that the financial statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards. The said Certificate is also forming part of this Report.

Code of Conduct

The Board and all senior management personnel of the Company are required to abide by the Code of Conduct as laid down by the Board ensuring minimum standards of Business and ethical Conduct.

This Code outlines fundamental ethical considerations as well as specific considerations that need to be maintained for professional conduct. A declaration by the Managing Director confirming that all the Directors and senior management personnel of the Company have affirmed compliance with Company's Code of Conduct for the financial year ended March 31, 2024 is annexed at the end of this report.

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members,
VIKAS ECOTECH LIMITED
34/1, Vikas Apartments,
East Punjabi Bagh
Delhi- 110026

We have examined the compliance of the conditions of Corporate Governance by **M/s. Vikas Ecotech Limited** ("the Company"), for the financial year ended March 31, 2024 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI (LODR) Regulations, 2015".

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (LODR) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

for KUMAR G & Co.
Company Secretaries

GUPTA P. K.
M. No: A14629
CP : 7579
UDIN: A014629F001159773

Date : 06.09.2024
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,

VIKAS ECOTECH LIMITED

34/1, Vikas Apartments,

East Punjabi Bagh

Delhi- 110026

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Vikas Ecotech Limited** (CIN:L65999DL1984PLC019465) having registered office at 34/1, Vikas Apartments, East Punjabi Bagh, Delhi- 110026 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial year ended March 31, 2024.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of a Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any court or any other Statutory Authority:

S. No.	Name of Director	DIN	Date of Appointment
1.	Mr. Vikas Garg	00255413	15/06/1992
2.	Mr. Balwant Kumar Bhushan	09840934	13/05/2024
3.	Mr. Ravi Kumar Gupta	01018072	16/03/2024
4.	Mr. Gyan Prakash Govil	08477296	16/03/2024
5.	Ms. Kratika Godika	08825445	04/06/2021
6.	Mr. Rajeev Kumar	10271754	10/08/2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

*for KUMAR G & Co.
Company Secretaries*

GUPTA P. K.
M. No: A14629
CP : 7579

UDIN: A014629F001159731

Date : 06.09.2024

Place: New Delhi

CEO'S/CFO'S CERTIFICATE

We, Balwant Kumar Bhushan, Chief Executive Officer and Amit Dhuria, Chief Financial Officer of Vikas Ecotech Limited, to the best of our knowledge and belief, certify that:

- a) we have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2024 and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements, that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) we have indicated to the auditors and the Audit Committee, wherever applicable,
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Date: 06.09.2024
Place: New Delhi

For Vikas Ecotech Limited
Balwant Kumar Bhushan
Chief Executive Officer

For Vikas Ecotech Limited
Amit Dhuria
Chief Financial Officer

DECLARATION OF COMPLIANCE WITH COMPANY'S CODE OF CONDUCT

The Members

Vikas Ecotech Limited

I hereby confirm that all the Board members and senior management personnel of the company have affirmed compliance with the company's Code of Conduct during the financial year ended March 31, 2024.

Date : 06.09.2024
Place : New Delhi

For Vikas Ecotech Limited
Vikas Garg
Managing Director
DIN: 00255413

Form No. MR-3 - SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
VIKAS ECOTECH LIMITED
34/1, Vikas Apartments,
East Punjabi Bagh
Delhi- 110026

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

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'),:
 - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021*;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009*;
 - h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008*;
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998*;
- *(Not Applicable during the period under review)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

S. No.	Relevant Provision for Compliance Requirement	Observation
1.	Regulation 30 of SEBI (LODR), 2015	Trading activities by certain entities in the scrip of "Vikas Ecotech Limited" Imposition of penalty of Rs. 15,00,000 via Adjudication Order No. Order/SS/RK/2023-24/28342-28349] dated July 27, 2023 imposed on promoter/promoter group, under Section 15A(b) of the SEBI Act, 1992.

2.	Regulation 23(9) of SEBI (LODR), 2015	Delay in filing with Stock Exchange BSE had imposed fine amounting to Rs. 5,000/- for delay of 1 day in submission of Related Party Transaction.
3.	Regulation 32 (1) & (2) of SEBI (LODR), 2015	Non-filing of Statement of Deviation or Variation Administrative warning letter bearing reference no. SEBI/HO/CFD/SEC-5/OW/P/2024/12996/1 dated April 2, 2024 to adhere to Regulation 32 (1) & (2)
4.	SEBI Act, 1992	SEBI believes that the business transactions of the Company have not been properly dealt with in financial information Disclosures SEBI has appointed Forensic Auditor w.r.t. the financial years ending March 31, 2019, March 31, 2020, March 31, 2021 and March 31, 2022.

We further report that the following major events happened during the period under review:

(i) **The Fund-raising Committee of the Company has made allotments through QIP in 2 tranches:**

- 17,85,00,000 equity shares at issue price (₹2.80) allotted to the eligible Qualified Institutional Buyers (QIB) on June 12, 2023 under tranche-I in accordance with the terms of the issue
- 16,12,80,000 equity shares at issue price (₹3.10) allotted to the eligible Qualified Institutional Buyers (QIB) on September 13, 2023 under tranche-II in accordance with the terms of the issue.

All these shares were subsequently listed and admitted for trading on BSE Limited & National Stock Exchange of India Limited.

(ii) **Preferential Issue**

The members of the company accorded their assent for the issuance of up to 10,00,00,000 fully Convertible Warrants, carrying a right exercisable to subscribe to one Equity Share, to persons belonging to 'Promoter Group' on preferential basis at an issue price of Rs. 3.40/- per Warrant/Equity Share of Re. 1/- each (including a premium of Rs. 2.40/- per Equity Shares) in the 38th Annual General Meeting held on September 29, 2023.

The Company has realized 25% upfront money on November 01, 2023 against the 10,00,00,000 entire warrants allotted for which pre-preferential approval was sought made on November 01, 2023. Further, the Company has also realized the balance 75% allotment monies from allottee as per the following:

Date of receipt of funds	Date of Conversion	No. of Warrants converted	Outstanding Warrants
December 1, 2023	December 6, 2023	3,00,00,000	7,00,00,000
December 6, 2023	December 7, 2023	3,50,00,000	3,50,00,000
December 12, 2023	December 12, 2023	3,50,00,000	0
Total		10,00,00,000	-

We further report that;

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and all necessary provisions of the Act and Rules made thereunder were duly complied in this regard.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent either giving seven days in advance or on shorter notice with requisite consent, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Also, the Company has duly filed applicable forms and returns with the Registrar of Companies/ Ministry of Corporate Affairs within the prescribed time or with additional fee in cases of delayed filings. Few forms / returns (if any) which were due for filing during the financial year, the management has assured compliance with the same.

We further report that during the audit period, except the allotment of shares, as mentioned above in this report, **there were no instance of:**

- Preference/debentures/sweat equity, etc.
- Redemption / buy-back of securities
- Merger / amalgamation / reconstruction, etc.
- Foreign technical collaborations

This Report is to be read with our letter of even date which is annexed as “Annexure 1” and forms an integral part of this report.

for **KUMAR G & Co.**
Company Secretaries

GUPTA P. K.

M. No: A14629

CP : 7579

UDIN: A014629F001159707

Date : 06.09.2024

Place: New Delhi

To

The Members,

VIKAS ECOTECH LIMITED

34/1, Vikas Apartments,

East Punjabi Bagh

Delhi- 110026

Sub: **Secretarial Audit for the Financial Year ended March 31, 2024 of even date is to be read with this letter**

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

for KUMAR G & Co.

Company Secretaries

GUPTA P. K.

M. No: A14629 | CP : 7579

UDIN: A014629F001159707

Date : 06.09.2024

Place: New Delhi

SECRETARIAL COMPLIANCE REPORT

VIKAS ECOTECH LIMITED

FOR THE YEAR ENDED MARCH 31, 2024

The Members,
Vikas Ecotech Limited
 34/1, Vikas Apartment,
 East Punjabi Bagh
 West Delhi, Delhi-110026

We, Kumar G & Co, *Company Secretaries* have conducted the Secretarial Compliance Audit of the applicable SEBI Regulations and the circulars/ guidelines issued thereunder for the period ended March 31, 2024 of Vikas Lifecare Limited ("the listed entity").

The audit was conducted in a manner that provided us a reasonable basis for evaluating the statutory compliances and expressing our opinion thereon.

We have examined:

- a) all the documents and records made available to us and explanation provided by the listed entity,
 - b) the filings/ submissions made by the listed entity to the stock exchanges,
 - c) website of the listed entity,
 - d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,
- for the year ended March 31, 2024 ("Review Period") in respect of compliance with the provisions of:
- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - b) the Securities Contracts (Regulation) Act, 1956("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;*
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;*
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;*
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013*
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

***Not Applicable to the period under review as there is no such transaction**

We hereby report that, during the review period the compliance status of listed entity is appended as below:

S. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/Remarks by PCS
1	Secretarial Standards: The Compliances of the Listed Entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable	Yes	Nil
2	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities 	Yes	Nil

	<ul style="list-style-type: none"> All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI 	Yes	Nil
3	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> The Listed Entity is maintaining a functional website Timely dissemination of the documents/information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website 	<p>Yes*</p> <p>Yes*</p> <p>Yes*</p>	<p>The company has been advised to timely upload the data on website as per Regulation 46 & 62 of SEBI (LODR) Regulations, 2015.</p> <p>Nil</p>
4	<p>Disqualification of Director:</p> <p>None of the Director(s) of the Company are disqualified under Section 164 of the Companies Act, 2013 as confirmed by the Listed Entity</p>	Yes	Nil
5	<p>Details related to Subsidiaries of Listed Entities have been examined w.r.t.:</p> <p>(a) identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	<p>No</p> <p>Yes</p>	<p>Company has wholly owned subsidiary companies named M/s. Vikas Organics Private Limited and M/s Shamli Steels Private Limited, but it doesn't fall under the definition of material subsidiary company.</p> <p>Nil</p>
6	<p>Preservation of Documents:</p> <p>The Listed Entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per policy of Preservation of Documents and Archival policy prescribed under SEBI (LODR) Regulations</p>	Yes	Nil
7	<p>Performance Evaluation :</p> <p>The Listed Entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations</p>	Yes	Nil
8	<p>Related Party Transactions:</p> <p>(a) The Listed Entity has obtained prior approval of Audit Committee for all related party transactions;</p> <p>or</p> <p>(b) The Listed Entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained.</p>	<p>Yes</p> <p>Yes</p>	<p>Nil</p> <p>Nil</p>
9	<p>Disclosure of events or information:</p> <p>The Listed Entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder except as provided under separate paragraph herein</p>	Yes	Nil
10	<p>Prohibition of Insider Trading:</p> <p>The Listed Entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	Yes	Nil

11	Actions taken by SEBI or Stock Exchange(s), if any: No Action(s) has been taken against the Listed Entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein	Yes	Nil
12	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/ circular/guidance note etc except as provided under separate paragraph herein	Yes	Nil

* with some delays and omissions, which were advised for correction during the audit process

Compliances related to resignation of Statutory Auditors from Listed Entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019:

S. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/ Remarks by PCS
1	Compliances with the following conditions while appointing/re-appointing an auditor		
	i) If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	No instance of resignation of statutory auditors during the year under report
	ii) If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or		
	iii) If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.		
2	Other conditions relating to resignation of Statutory auditor		
	i) Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: a) In case of any concern with the management of the listed entity/ material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. b) In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non receipt of information / explanation from the company, the auditor has informed the Audit committee the details of information / explanation sought and not provided by the management, as applicable. c) The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above communicate its views to management and the auditor. ii) Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor	NA	Observations as above
3	The Listed Entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure - A in SEBI Circular CIR/CFD/CMD1/114/2019dated 18th October, 2019.	NA	Observations as above

Based on the above examination, we hereby report that, during the period under Review:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

S. N	Compliance requirement (Regulations/ circular/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of action i. e. Advisory/Fine/ Show cause notice/ warnings etc	Details of violations	Fine Amount	Observations/ Remarks by PCS	Management Response
1.	SEBI (LODR), 2015	Regulation 30	Trading activities by certain entities in the scrip of "Vikas Ecotech Limited."	SEBI	Imposition of penalty via Adjudication Order No. Order/SS/RK/2023-24/28342-28349] dated July 27, 2023	SEBI passed an order in the matter of trading activities by certain entities in the scrip of "Vikas Ecotech Limited."	Penalties of aggregate amount of Rs. 15,00,000 were imposed on persons belonging to promoter/ promoter group, under Section 15A(b) of the SEBI Act, 1992	Company has been advised to be cautious of the SEBI (PIT) provision.	Penalties have been paid by the respective Noticees within due timelines and also been reported to Stock Exchanges
2.	SEBI (LODR), 2015	Regulation 23(9)	Delay in filing with Stock Exchange	BSE Limited	Imposition of Fine	BSE had imposed fine amounting to Rs. 5,000/- for delay of 1 day in submission of Related Party Transaction	Fine amounting to Rs. 5,000/- by BSE Limited	No comment required.	Company has paid the imposed fine on 15.07.2023
3.	SEBI (LODR), 2015	Regulation 32 (1) & (2)	Non-filing of Statement of Deviation or Variation	SEBI	Administrative warning letter bearing reference no. SEBI/HO/CFD/SEC-5/OW/P/2024/12996/1 dated April 2, 2024	The company received an administrative warning letter from SEBI on April 2, 2024 to adhere to Regulation 32 (1) & (2)	-	The company has been advised to submit such statement on immediate basis.	Company shall take necessary steps in filing such statement.

4.	SEBI Act, 1992	SEBI vide order No. SEBI/HO/CFID-SEC6/P/OW/2024/4196/1 dated January 30, 2024	-	SEBI	SEBI believes that the business transactions of the Company have not been properly dealt with in financial information disclosures	SEBI has appointed Forensic Auditor w.r.t. the financial years ending March 31, 2019, March 31, 2020, March 31, 2021 and March 31, 2022.	No fine or penalty was imposed so far, as SEBI ordered Forensic Audit is underway	-	Company has disclosed this Forensic Auditor appointment u/r 30 of SEBI (LODR) Regulations and is submitting the document asked by the Forensic Auditors
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b) The listed entity has taken the following actions to comply with the observations made in previous reports:

S. No.	Compliance requirement (Regulations/ circular/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of action i.e. Advisory/ Fine/Show cause notice/ warnings etc	Details of violations	Fine Amount	Observations/ Remarks by PCS	Management Response
	-	-	-	-	-	-	-	-	-

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **KUMAR G & Co.**
Company Secretaries
GUPTA P. K.

M.No. : A14629
CP : 7579
UDIN: A014629F000502811

Date : May 30, 2024
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of VIKAS ECOTECH LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of VIKAS ECOTECH LIMITED ("the Company"), which comprise the balance sheet as at 31st March, 2024, the statement of Profit and Loss (Including Other Comprehensive Income), statement of changes in equity, and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its profit and total comprehensive Profit, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Financial statements, including the disclosures, and whether the standalone Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-"A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone Financial statements have been kept so far as it appears from our examination of those books. .
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income , statement of changes in equity and the statement of Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the standalone Financial statements.
 - d) In our opinion, except as otherwise disclosed in accounting policies and notes to the standalone Financial statements, the aforesaid standalone Financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2024 taken on record by the Board of Directors of the Company, none of the directors of the company is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note38 to the financial statements;
- ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There is delay in transfer of amount of Rs. 3,52,605 being unclaimed dividend pertaining to financial year 2015-16 to the Investor Education and Protection Fund by the Company which was required to be transferred during the year but transferred by the company in May 2024.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.
- v. No dividend declared by the company declared or paid by the Company during the year.
- vi. Based on our examination, Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility with effect from 30th March 2024 and the same has been operated from the period 30th March 2024 to 31st March 2024 only and the audit trail feature has not been tampered with and the audit trail has been preserved by the company for said period as per the statutory requirements for record retention.

3. With respect to the matter to be included in the Auditors’ Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 read with Schedule V to the Act.

For KSMC & ASSOCIATES
Chartered Accountants
FRN: 003565N
(CA SACHIN SINGHAL)
Partner
M. No.:505732
UDIN: 24505732BKEGJX1873

Place: New Delhi
Date: 22.05.2024

ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the members of VIKAS ECOTECH LIMITED("the Company") for the year ended March 31, 2024. We report that:

S. No.	Particulars				Auditor's Remarks						
(i)	(a)	(A)	whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;		In the absence of requisite documents and explanation, we are unable to comment on this.						
		(B)	whether the company is maintaining proper records showing full particulars of intangible assets;		The company is only having one intangible asset and all the proper records in respect of same has been maintained by the company.						
	(b)		whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;		In the absence of requisite documents and explanation, we are unable to comment on this.						
	(c)		whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone Financial statements are held in the name of the company, if not, provide the details thereof in the format below:-								
			<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Description of property</th> <th style="text-align: center;">Gross carrying Value</th> <th style="text-align: center;">Held in name of</th> <th style="text-align: center;">Whether promoter, director or their relative or employee</th> <th style="text-align: center;">Period held – indicate range, where appropriate</th> <th style="text-align: center;">Reason for not being held in name of company*</th> </tr> </thead> </table>	Description of property	Gross carrying Value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*		
Description of property	Gross carrying Value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*						
			According to the information provided to us, there is one property located in Jammu State which is held in name of Sigma Plastics Industries. The said firm was taken over by the company in the earlier years however, being leased property, the title of the said property could not be transferred in company's name due to some pending procedural conditions and formalities.								
	(d)		whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets;		According to our information company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.						
	(e)		whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under, if so, whether the company has appropriately disclosed the details in its financial statements;		According to the information and explanation given to us the Company has no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under						
(ii)	(a)		whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;		As explained to us, the physical verification of inventory has been conducted at reasonable intervals by the management and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verification. On the basis of explanation and discussion, in our opinion the coverage and procedure of such verification by the management is appropriate						
	(b)		whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details;		The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the monthly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company except for some immaterial variances. For details refer note no. 50 clause "I" of the standalone Financial statements.						

(iii)	whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, if so,-	During the year the company advanced a unsecured loan Rs 1500 Lakhs, made investments in unquoted shares amounting to Rs. 2974 Lakhs and Rs. 2850 Lakhs*, made investments in real estate projects amounting to Rs. ₹14,450 Lakhs. * subject to formalities for the transfer of shares which are still pending Refer note no. 4 for details Besides above, the company has not made any investments in, not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
	(a) whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate-	During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity except loan of Rs. 1500 Lakhs provided to one company.
	(A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates;	NIL
	(B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates;	Aggregate amount of Loans provided during the year is Rs. 1500 Lakhs to company other than subsidiaries, joint ventures and associates** The balance outstanding at the balance sheet date is Rs. 1500 Lakhs pertaining to company other than subsidiaries, joint ventures and associates. ** This company to whom the loan was provided eventually became 100% wholly owned subsidiary after the balance sheet date.
	(b) whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;	Yes
	(c) in respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	With respect to loans provided during the year by the company schedule of repayment of principal and payment of interest has been stipulated and during the year no repayments or receipts have fallen due and hence question of regularity does not arise.
	(d) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	There is no amount overdue during the year.
	(e) whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year [not applicable to companies whose principal business is to give loans];	There are no such instances of any renewal or extension or grant of fresh loans to settle the overdues of existing loans given to the same parties.

	(f)	whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;	There are no such loans granted by the company.
	(iv)	in respect of loans, investments, guarantees, and security, whether provisions of sections 185 and 186 of the Companies Act have been complied with, if not, provide the details thereof;	In the absence of requisite documents available for verification, we are unable to comment anything on this clause.
	(v)	in respect of deposits accepted by the company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made there under, where applicable, have been complied with, if not, the nature of such contraventions be stated; if an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not;	According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, paragraph 3 (v) of the Order is not applicable.
	(vi)	whether maintenance of cost records has been specified by the Central Government under subsection (1) of section 148 of the Companies Act and whether such accounts and records have been so made and maintained;	The Company has maintained cost records as required as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. In this regard, Management Representation and certificate from cost auditor has been provided and relied upon by us being technical matter in nature.
	(vii)	(a) whether the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	According to the information and explanations given to us and on the basis of our examination, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance Fund, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Value Added Tax, cess and other material statutory. As on year end following are the unpaid statutory dues which are remaining unpaid since very long time: Income Tax payable AY 2020-21 Rs. 78,44,695/- outstanding in books of accounts however as per Income Tax Portal there is no demand showing as pending with respect to said assessment year. During the year the company has written off custom duty liability of Rs. 106.38 which was provided in earlier years against loss of raw material in fire on provisional basis being considered as no more payable in view of final settlement of the insurance claim.
		(b) where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned (a mere representation to the concerned Department shall not be treated as a dispute);	For amounts which are not paid on account of disputes for which appeals are pending, refer Note 38 to Standalone Financial Statements for the year ended 31st March 2024.
	(viii)	whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year;	There were no such transaction which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
	(ix)	(a) (A) whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and Government or dues to debenture holders during the year.	

	(B)	if yes, the period and the amount of default to be reported as per the format 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	Remarks, if any
		Not Applicable					
	(b)	whether the company is a declared wilful defaulter by any bank or financial institution or other lender;	The company has not been declared willful defaulter by any bank or financial institution or other lender or any government authority.				
	(c)	whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported;	The Company has not taken term loan during the year. Hence the paragraph 3 (IX)(c) of the Order is not applicable				
	(d)	whether funds raised on short term basis have been utilised for long term purposes, if yes, the nature and amount to be indicated;	The company has not raised any funds during the year and hence this para of the order is not applicable				
	(e)	whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case;	The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.				
	(f)	whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if so, give details thereof and also report if the company has defaulted in repayment of such loans raised;	The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.				
(x)	(a)	whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised, if not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	According to the information and explanation given to us the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.				
	(b)	whether the company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised, if not, provide details in respect of amount involved and nature of non-compliance;	<p>As per information and explanation given to us during the year the Company has issued 10,00,00,000 shares on preferential basis to the promoters at a share price of Rs. 3.40 per share having paid up value Rs. 1/- & Security Premium of Rs. 2.40 per share, total preferential issue size is of ₹ 3400 Lakh. In addition to this, the company has also raised funds of Rs. 9997.68 Lakh through issuance of fresh shares by way QIP in 2 tranches. In first tranche the company issued 17,85,00,000 shares having paid up value Rs. 1/- & Share Premium of Rs. 1.80 per share, total issue size is Rs. 4998 Lakh & in second tranche, company has issued 16,12,80,000 shares having paid value Rs. 1/- & Security Premium of Rs. 2.10, total issue size is Rs. 4,999.68 Lakh.</p> <p>The funds raised were applied for the purpose for which they were raised (refer note 16 of the standalone Financial statements).</p> <p>On the basis of examination of documents, in our opinion, provisions of section 42 and section 62 of the Companies Act 2013 are complied with in all material aspects.</p>				
(xi)	(a)	whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated;	Based upon the audit procedures performed and information and explanations given by the management, No fraud on or by the Company has been noticed or reported during the course of our audit or reported.				

	(b)	whether any report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;	No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
	(c)	whether the auditor has considered whistle-blower complaints, if any, received during the year by the company;	As explained to us, during the year no such complaints were received by the company.
(xii)	(a)	whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability;	As per information and explanations given to us the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
	(b)	whether the Nidhi Company is maintaining ten per cent. unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	NA
	(c)	whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof;	NA
(xiii)		whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;	In our opinion, all transactions with the related parties are in compliance of section 177 and 188 of the companies act in all material aspects. The details of related party transactions have been disclosed in the standalone financial statement, as required by the applicable Ind AS.
(xiv)	(a)	whether the company has an internal audit system commensurate with the size and nature of its business;	In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
	(b)	whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor;	We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
(xv)		whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act have been complied with;	As per information and explanation given to us the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, paragraph 3 (xv) of the Order is not applicable.
(xvi)	(a)	whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and if so, whether the registration has been obtained;	As per information and explanation given to us the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934
	(b)	whether the company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;	As per information and explanation given to us the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934
	(c)	whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria;	The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
	(d)	whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group; whether the company has incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses; whether there has been any resignation of the statutory auditors during the year, if so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors;	In our opinion there is no Core Investment Company (CIC) in Group as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi)(d) of the Order is not applicable. The company has not incurred cash losses during the financial year and in the immediately preceding financial year. There is no resignation of the statutory auditors of the company during the year.

(xix)	on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;	On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this not an assurance as to the future viability of the company. We further that our reporting is based on the facts up to the date the audit report and we neither give guarantee nor assurance that all liabilities falling due within a period of a one year from the balance sheet date, will get discharged by the company as and when they fall due.
(xx) (a)	whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;	Not applicable as during the year the company is not covered under section 135 of the Companies Act 2013
(b)	whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;	Not applicable as during the year the company is not covered under section 135 of the Companies Act 2013

For KSMC & ASSOCIATES
Chartered Accountants
Firm Regn. No. 003565N
CA SACHIN SINGHAL
Partner
Membership No.: 505732
UDIN: 24505732BKEGJX1873

Place: New Delhi
Date : 22.05.2024

Annexure "B" to the Independent Auditors Report on the Standalone Financial Statements of VIKAS ECOTECH LIMITED

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of VIKAS ECOTECH LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my/our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For KSMC & ASSOCIATES
Chartered Accountants
Firm Regn. No. 003565N
CA SACHIN SINGHAL
Partner

Membership No.: 505732

UDIN: 24505732BKEGJX1873

Place: New Delhi

Date: 22.05.2024

STANDALONE BALANCE SHEET AS AT 31 MARCH 2024

(All figures are in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,217.67	2,121.65
Investment Property	3	705.26	741.51
Financial assets			
Investments	4	25,774.00	5,500.00
Trade receivables	15	431.52	534.39
Loans	5	1,539.39	-
Others	6	431.82	406.19
Deferred tax assets (net)	7	90.02	58.71
Other non-current assets	8	196.23	1,992.49
		31,385.91	11,354.94
Current assets			
Inventories	9	3,622.84	3,538.43
Financial assets			
Trade receivables	15	6,917.33	14,102.24
Cash and cash equivalents	10	7.67	10.81
Bank balances other than cash and cash equivalents	11	297.23	389.70
Others	12	60.19	122.98
Current tax assets (net)	13	-	30.76
Other current assets	14	682.80	4,709.70
		11,588.06	22,904.62
Total assets		42,973.97	34,259.56
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	13,883.56	9,485.76
Other equity	17	23,739.23	14,308.43
Total equity		37,622.79	23,794.19
Non-current liabilities			
Financial liabilities			
Others	18	14.75	-
Provisions	19	29.24	23.40
Other non current liability	20	1.57	-
		45.55	23.40
Current liabilities			
Financial liabilities			
Borrowings	21	1,897.42	6,178.07
Trade payables	25		
total outstanding dues of micro & small enterprises		43.36	301.15
total outstanding dues of creditors other than micro & small enterprises		2,589.60	2,401.53
Others	22	251.40	944.45
Other current liabilities	23	255.23	616.21
Provisions	19	0.68	0.56
Current tax liabilities (net)	24	267.94	-
		5,305.63	10,441.97
Total liabilities		5,351.18	10,465.37
Total Equity and Liabilities		42,973.97	34,259.56

Notes forming integral part of the Ind AS Financial Statements 1 to 50

As per our Report of even date attached
For KSMC and Associates
Chartered Accountants
FRN : 003565N

CA SACHIN SINGHAL
Membership No. 505732
UDIN: 24505732BKEGJX1873

Prashant Sajwani
Company Secretary

For and on behalf of the Board Of Directors
Vikas Ecotech Limited

Vikas Garg
Managing Director
DIN: 00255413

Rajeev Kumar
Director
DIN: 10271754

Amit Dhuria
Chief Financial Officer

Balwant Kumar Bhushan
Chief Executive Officer

Date : 22 May 2024
Place : Delhi

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(All figures are in ₹ Lakhs, unless otherwise stated)

Particulars	Note no	2023-24	2022-23
Revenue from operations	26	24,659.96	40,266.89
Other income	27	310.53	317.80
Total Income		24,970.49	40,584.69
Cost of materials consumed	28	8,796.49	14,067.98
Purchases of stock-in-trade	29	11,925.46	22,482.17
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	30	676.52	(155.13)
Employee benefits expense	31	338.39	254.76
Finance costs	32	658.24	1,036.76
Depreciation and amortization expenses	33	375.23	396.19
Other expenses	34	1,289.79	1,453.00
Total expense		24,060.14	39,535.73
Profit/(loss) before exceptional items and tax		910.36	1,048.96
Exceptional items		-	-
Profit/(loss) before and tax		910.36	1,048.96
Tax expense:			
Current tax		255.26	58.94
Tax for earlier years		24.99	37.08
Deferred tax		(31.25)	0.23
Income tax expense		249.00	96.25
Profit/(loss) for the year from continuing operations		661.35	952.72
Profit/(loss) from discontinued operations		-	-
Tax expenses of discontinued operations		-	-
Profit/(loss) from discontinued operations (after tax)		-	-
Profit/(loss) for the year		661.35	952.72
Other comprehensive income			
a) (i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(0.28)	5.56
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.07	(1.40)
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income		(0.21)	4.16
Total comprehensive income		661.14	956.87
Earnings per equity share			
Basic	35	0.05	0.10
Diluted	35	0.05	0.10

Notes forming integral part of the Ind AS Financial Statements 1 to 50

As per our Report of even date attached
For KSMC and Associates
Chartered Accountants
FRN : 003565N

CA SACHIN SINGHAL
Membership No. 505732
UDIN: 24505732BKEGJX1873

Prashant Sajwani
Company Secretary

For and on behalf of the Board Of Directors
Vikas Ecotech Limited

Vikas Garg
Managing Director
DIN: 00255413

Rajeev Kumar
Director
DIN: 10271754

Amit Dhuria
Chief Financial Officer

Balwant Kumar Bhushan
Chief Executive Officer

Date : 22 May 2024
Place : Delhi

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

(All figures are in ₹ Lakhs, unless otherwise stated)

Particulars	2023-24	2022-23
Cash flow from operating activities		
Net profit before taxation and extraordinary items	910.36	1,048.96
Adjustments for:		
Depreciation and amortization expenses	375.23	396.19
Interest income	(59.77)	(26.55)
Other comprehensive income	(0.21)	4.16
Interest expense	658.24	1,036.76
Profit/Loss on sale of booking rights	(35.35)	-
Profit/Loss on sale of Fixed Assets	(0.28)	(17.99)
Rental income	(87.15)	(92.47)
Operating profit before working capital changes	1,761.07	2,349.06
Changes in working capital		
(Increase)/ decrease in inventories	(84.41)	4,678.45
(Increase)/ decrease in trade receivables	7,287.78	(1,148.93)
(Increase)/ decrease in other financial assets	37.16	(176.68)
(Increase)/ decrease in other assets	4,028.51	1,611.30
(Decrease)/ increase in trade payables	(69.71)	1,169.93
(Decrease)/ increase in other financial liabilities	(678.30)	196.87
(Decrease)/ increase in provisions	5.95	(0.80)
(Decrease)/ increase in other current liabilities	(359.42)	542.50
Cash generated from operations	11,928.63	9,221.70
Income taxes paid	18.39	(65.27)
Cash flow before extraordinary items	11,947.02	9,156.43
Extraordinary or exceptional items	-	-
Net cash flow from operating activities	11,947.02	9,156.43
Cash flows from investing activities		
Purchase of fixed assets	(436.70)	(500.73)
Proceeds from sale of equipment	1.97	69.38
Investments (made)/withdrawn	(20,274.00)	(5,500.00)
Proceeds from transfer of booking rights	1,830.00	-
Loan given	(1,539.39)	-
Rental income	87.15	92.47
Interest received	59.77	26.55
Net cash from investing activities	(20,271.19)	(5,812.32)
Cash flows from financing activities		
Proceeds from Right Issue including share premium, share forfeiture money	-	181.41
Proceeds from issuance of share capital	13,397.68	(107.53)
Expenses in issuance of share capital	(230.23)	-
Proceeds/(Repayment) of borrowings	(4,280.65)	(3,116.61)
Interest paid	(658.24)	(1,036.76)
Net cash used in financing activities	8,228.56	(4,079.48)
Net increase in cash and cash equivalents	(95.61)	(735.37)
Cash and cash equivalents at the beginning of the year	400.51	1,135.89
Cash and cash equivalents at year end	304.90	400.51

Notes to the cash flow statement

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money-market instruments. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts.

Particulars	2023-24	2022-23
Cash on hand and balances with banks	7.67	10.81
Other bank balances	9.96	19.13
Short-term investments	287.27	370.57
Cash and cash equivalents	304.90	400.51

Notes forming integral part of the Ind AS Financial Statements 1 to 50

As per our Report of even date attached
For KSMC and Associates
Chartered Accountants
FRN : 003565N

CA SACHIN SINGHAL
Membership No. 505732
UDIN: 24505732BKEGJX1873

Prashant Sajwani
Company Secretary

Date : 22 May 2024
Place : Delhi

For and on behalf of the Board Of Directors
Vikas Ecotech Limited

Vikas Garg
Managing Director
DIN: 00255413

Rajeev Kumar
Director
DIN: 10271754

Amit Dhuria
Chief Financial Officer

Balwant Kumar Bhushan
Chief Executive Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2024

(All figures are in ₹ Lakhs, unless otherwise stated)

(A) **Equity Share Capital**

Particulars	2023-24	2022-23
Opening balance	9,485.76	9,393.37
Change in equity during the year	4,397.80	92.39
Closing balance	13,883.56	9,485.76

(B) **Other Equity**

As at 31 March 2024

Particulars	Reserves & surplus						Total
	Share premium	General Reserve	Retained Earnings	Capital Reserve	Share Application Money Pending for Allotement	Other Comprehensive income	
Balance at the beginning of the current reporting period	4,284.67	1,471.20	8,515.33	9.66	(0.00)	27.56	14,308.43
Profit for the year	-	-	661.35	-	-	-	661.35
Additions/Deletions during the year	8,999.88	-	-	-	-	-	8,999.88
Other comprehensive income	-	-	-	-	-	(0.21)	(0.21)
Total comprehensive income	13,284.55	1,471.20	9,176.69	9.66	(0.00)	27.35	23,969.45
Premium on shares issued during the year	(230.23)	-	-	-	-	-	(230.23)
Balance at the end of the current reporting period	13,054.32	1,471.20	9,176.69	9.66	(0.00)	27.35	23,739.23

As at 31 March 2023

Particulars	Reserves & surplus						Total
	Share premium	General Reserve	Retained Earnings	Capital Reserve	Share Application Money Pending for Allotement	Other Comprehensive income	
Balance at the beginning of the previous reporting period	4,195.65	1,471.20	7,562.62	9.66	107.53	23.40	13,370.06
Profit for the year	-	-	952.72	-	-	-	952.72
Additions/Deletions during the year	33.59	-	-	-	(107.53)	-	(73.94)
Other comprehensive income	-	-	-	-	-	4.16	4.16
Total comprehensive income	4,229.23	1,471.20	8,515.33	9.66	(0.00)	27.56	14,252.99
Premium on shares issued during the year	55.44	-	-	-	-	-	55.44
"Balance at the end of the previous reporting period"	4,284.67	1,471.20	8,515.33	9.66	(0.00)	27.56	14,308.43

Notes forming integral part of the Ind AS Financial Statements 1 to 50

As per our Report of even date attached
For KSMC and Associates
Chartered Accountants
FRN : 003565N

CA SACHIN SINGHAL
Membership No. 505732
UDIN: 24505732BKEGJX1873

Prashant Sajwani
Company Secretary

For and on behalf of the Board Of Directors
Vikas Ecotech Limited

Vikas Garg
Managing Director
DIN: 00255413

Rajeev Kumar
Director
DIN: 10271754

Amit Dhuria
Chief Financial Officer

Balwant Kumar Bhushan
Chief Executive Officer

Date : 22 May 2024
Place : Delhi

NOTES FORMING PART OF FINANCIAL STATEMENT

1. Corporate information

Vikas Ecotech Limited ('the Company') is a Delhi based Company incorporated on 30 November 1984 under the Companies Act, 1956, having its registered office at Vikas Apartments, 34/1, East Punjabi Bagh, New Delhi – 110026 and is listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE).

The Company is an emerging player in the global arena engaged in the business of high-end specialty chemicals. It is an integrated, multi-specialty product solutions company, producing a wide variety of superior quality, eco-friendly additives and rubber-plastic compounds. Its additives and rubber-plastic compounds are process-critical and value-enabling ingredients used to manufacture a varied cross-section of high-performance, environment-friendly and safety-critical products. From agriculture to automotive, cables to electrical, hygiene to healthcare, polymers to packaging, textiles to footwear, the Company's products serve a diverse range of global industry needs. The Company has its manufacturing plants in the state of Rajasthan. The Company has manufacturing unit of MS sockets & pipe fittings in Ghaziabad. The said space/premises has been taken on lease. Further, the company has operations/trading in infra and energy segment from Delhi and currently dealing in TMT Bars, Steel, HR Coils, CR Colis, ERW pipes & Coal to cater need of infrastructure & different industries/segment.

During the year, the company has expand its real estate division at a bigger scale. Adding to the real estate business, company has collaborated with other real estate groups and entered into several joint development agreements.

2. Basis of preparation

a) Statement of compliance:

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1 April 2017 with transition date of 1 April 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16 February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, these financial statements have been prepared to comply in all material aspects with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The transition was carried out from the accounting principles generally accepted in India (Indian GAAP) which is considered as previous GAAP, as defined in Ind AS 101. An explanation of how the transition to Ind AS has impacted the Company's equity and profits.

b) Basis of measurement:

The financial statements have been prepared on accrual and going concern basis and historical cost convention, except for certain financial assets and liabilities which have been measured at fair value or amortised cost, as required under relevant Ind AS.

c) Significant accounting judgements, estimates and assumptions:

The preparation of the Company's financial statements requires 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.

Judgments

Information about significant areas of estimation/ uncertainty and judgements in applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Reference	Significant judgement and estimates
Note 3(b)	Measurement of useful life and residual values of property, plant and equipment
Note 3(c)	Impairment test of non-financial assets: key assumptions underlying recoverable amounts
Note 3(l) and 37	Measurement of defined benefit obligations: key actuarial assumptions
Note 38	Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
Note 3(o) and 40	Fair value measurement of financial assets and liabilities
Note 3(i)	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

3. Summary of significant accounting policies

a) Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ Non-current classification.

Assets

An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liability

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Current liabilities include the current portion of non-current financial liabilities. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle basis the nature of business except real estate which may exceed twelve months and vary on project to project basis depending on the life of the project.

b) Property, plant and equipment

Property, plant and equipment including capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

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

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation methods, estimated useful lives and residual values

Assets are depreciated to the residual values on a written down value method over the estimated useful lives of the assets, derived as per the Divison -II of Schedule III of the Companies Act, 2013, which are as follows:-

Useful lifes	
Office building	60 years
Leasehold Improvement (Office)	60 years
Leasehold Improvement (Factory Building)	30 years
Plant and machinery	10 - 15 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles – Motor cycles and scooters	10 years

Vehicles – Motor cars	8 years
Computers	3 years
Leasehold land	Period of lease or useful life, whichever is less
Intangible assets	3 years

In case of intangible assets, amortisation has been done considering useful life derived on the basis of management judgement and estimate.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for impairment, and adjusted prospectively, as appropriate.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/ (losses). Depreciation is calculated on a pro-rata basis for assets purchased/ sold during the year.

c) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that a non-financial asset maybe 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 units' (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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses, if any, are recognized in Statement of Profit and Loss.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

d) Leases – Company as a lessee

The determination of whether an arrangement is(or contains) a lease is based on the substance of an arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's policy on the borrowing costs.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term and escalation in the contract, which are structured to compensate expected general inflationary increase are not straight-lined. Contingent rents are recognized as expense in the period in Statement of Profit and Loss in which they are incurred.

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

f) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Classification and subsequent measurement

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity investments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost

The category applies to the Company's trade receivables, unbilled revenue, other bank balances, security deposits, etc.

A financial asset being a 'debt instrument' is measured at amortised cost if both the following conditions are met:

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

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial assets at FVTOCI

A financial asset being a 'debt instrument' is measured at FVTOCI if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss.

Financial assets at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or at FVTOCI, is classified at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind

AS103 applies are classified as at FVTPL.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the financial 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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) 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 financial assets that are debt instruments and are initially measured at fair value with subsequent measurement at amortised cost e.g. Trade receivables, unbilled revenue etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade 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 ECLs at each reporting date, right from its initial recognition.

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, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the 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 a twelve 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.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, security deposits, etc.

Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit or Loss.

Financial liabilities at amortised cost

This category includes security deposit received, trade payables etc. After initial recognition, such liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been passed to the customer. Sales are net off sales returns, free quantities delivered and trade discounts.

Export Incentives

The Company recognises Export incentives such as MEIS License as per accounting principal i.e. on accrual basis.

Commission

When the Company acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission earned by the Company. Further, Company also provides services related to Export Facilitation and the same has been recognised as sale of services under Revenue from Operations.

Rental income

Rental income from investment property is recognised as part of revenue from operations in profit or loss on a straight line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from sub-leasing is also recognised in a similar manner and included under other income.

Interest income

Interest income on financial assets (including deposits with banks) is recognised as it accrues in Statement of Profit and Loss, using the effective interest rate (EIR) method (i.e. time proportionate basis) which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Government grants

An unconditional government grant related to a biological asset that is measured at fair value less cost to sell is recognised in profit or loss as other income when the grant becomes receivable. Other government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant, they are recognised in profit or loss as other operating revenue on a systematic basis. Grants that compensate the Company for expenses incurred are recognised in profit or loss as other operating revenue on systematic basis in which such expenses are recognised.

Other operating income

Other operating income is recognised on accrual basis (i.e. time proportionate basis) in the accounting period in which services are rendered and in accordance with the terms of the agreement.

h) Inventories

Inventories are valued at the lower of cost or net realisable value. The cost of inventories is based on the first-in-first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Cost incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: Purchase cost on first-in-first out basis
- Finished goods and work in progress: Cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs
- Inventory related to real estate division: Valued at cost incurred
- Inventory related to stock-in-trade: Purchase cost on first-in-first out basis

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials, components and other supplies held for use in production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Obsolete, slow moving, defective inventories, shortage/ excess are identified at the time of physical verification of inventories and wherever necessary provision/ adjustment is made for such inventories.

i) Income taxes

Income tax expenses comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, 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.

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 reassessed 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 at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that it is probable that future taxable profits will be available against which

they can be used. MAT credit entitlement has been presented as deferred tax asset in the Balance sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

j) Dividend payments

Final dividend is recognized, when it is approved by the shareholders and the distribution is no longer at the discretion of the Company. However, interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l) Retirement and other employee benefits

Short term employee benefits are measured on undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

The Company post-employment benefits include defined benefit plan and defined contribution plans.

Contribution payable by the Company to the central government authorities in respect of provident fund, pension fund and employee state insurance are defined plans. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. The Company contributions to defined contribution plans are recognized in Statement of Profit & Loss when the related services are rendered. The Company has no further obligations under these plans beyond its periodic contributions.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under the defined benefit retirement plan, the Company provides retirement obligation in the form of Gratuity. Under the plan, a lump sum payment is made to eligible employees at retirement or termination of employment based on respective employee salary and years of experience with the Company.

The cost of providing benefits under this plan is determined on the basis of actuarial valuation carried out as at the reporting date by an independent qualified actuary using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the Statement of Profit and Loss. The obligation towards the said benefit is recognised in the balance sheet as the difference between the fair value of the plan assets and the present value of the plan liabilities. Scheme liabilities are calculated using the projected unit credit method and applying the principal actuarial assumptions as at the date of Balance Sheet. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Gratuity is covered by Gratuity policy respectively.

All expenses excluding re-measurements of the net defined benefit liability (asset), in respect of defined benefit plans are recognized in the profit or loss as incurred. Re-measurements, comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)), are recognized immediately in the Balance Sheet with a corresponding debit or credit through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

m) Provisions

i) General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time (i.e. unwinding of discount) is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

ii) Contingent assets/ liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

n) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares (such as preferential shares, ESOP, share warrants, share application money, etc.) into equity shares.

o) Fair value measurement

The Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- I. Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- II. Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- III. Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant notes.

p) Foreign currency

Functional and presentation currency

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the

financial information is presented in INR, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of Profit or Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fairvalue is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign exchange gains/ (losses) arising on translation of foreign currency monetary loans are presented in the Statement of Profit and Loss on net basis.

q) **Corporate social responsibility expenditure**

Pursuant to the requirements of section 135 of the Act and rules thereon and guidance notion "Accounting for expenditure on Corporate Social Responsibility activities" issued by ICAI, with effect from 1 April 2015, CSR expenditure is recognised as an expense in the Statement of Profit and Loss in the period in which it is incurred.

4. **Segment Reporting**

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products. In accordance with Ind AS 108, Operating Segments, the Company has identified and disclosed the following segment information in the financial statements.

1. Infra & Energy
2. Chemical, Polymers & Special Additives
3. Real Estate

▶ 3. Property, plant and equipment

Particulars	Leasehold Land*	Office Building	Lease Hold Improvements (Factory Building)	Plant and equipment	Furniture & fixtures	Vehicles	Office Equipment	Computers	Intangible Assets	Total
Gross value										
As at 1 April 2023	478.18	27.86	826.31	3,285.57	30.37	168.14	105.14	78.58	91.90	5,092.05
Additions	-	-	2.64	313.37	3.94	109.07	5.14	2.53	-	436.70
Deletions	-	-	-	-	-	4.05	-	-	-	4.05
At 31 March 2024	478.18	27.86	828.95	3,598.94	34.32	273.16	110.28	81.11	91.90	5,524.70
Depreciation										
As at 1 April 2023	49.89	3.59	453.21	2,072.12	26.85	144.64	90.51	76.25	53.35	2,970.40
Charge for the year	6.28	0.66	36.47	244.89	1.07	13.54	4.54	1.26	29.10	337.80
Depreciation held on disposals/assets held for sale	-	-	-	-	-	1.18	-	-	-	1.18
At 31 March 2024	56.17	4.25	489.68	2,317.01	27.92	157.00	95.05	77.51	82.45	3,307.03
Net book value										
At 31 March 2024	422.00	23.61	339.27	1,281.94	6.40	116.16	15.23	3.60	9.45	2,217.67
At 31 March 2023	428.29	24.27	373.10	1,213.45	3.52	23.50	14.63	2.33	38.55	2,121.65

* Land chunk rights has been purchased from various parties in 2007, 2010 & 2016 and accordingly lease agreements has been transferred by RIICO in our name. Depreciation has been charged on the payment made and improvement done by us. Annual Lease rent and service charges has been booked as expenditure in books of Accounts, which has been paid annually as per challan generated by RIICO.

Investment property

Particulars	Buildings
Cost or valuation	
As at 1 April 2023	915.06
Additions	-
Deletions	-
At 31 March 2024	915.06
Depreciation	
As at 1 April 2023	173.55
Charge for the year	36.25
Depreciation held on disposals / assets held for sale	-
At 31 March 2024	209.80
Net book value	
At 31 March 2024	705.26
At 31 March 2023	741.51

Information regarding income and expenditure of Investment Property

Particulars	As at 31 March 2024	As at 31 March 2023
Rental income derived from investment properties	92.11	92.47
Direct operating expenses (including repairs and maintenance) generating rental income	7.66	8.97
Profit arising from investment properties before depreciation and indirect expenses	84.46	83.50
Depreciation	36.25	38.27
Profit arising from investment properties before indirect expenses	48.21	45.23

Disclosures relating to investment property

The above investment property comprises of following mentioned property:

Express Zone B Wing Premises Co- operative Society Limited, Western Express Highway, Malad (East), Mumbai-400097 having office number 404, 405, 408, 409& 410.

Fair value

The fair value of investment property has been determined by external independent registered/approved valuer, having appropriate recognised professional qualification and experience in the valuation field. The fair value of the investment property is ₹ 741.83 Lakhs as on 10 May 2023.

Premises given on lease

The Company has given investment property (land and building) on operating lease for 3 years and is renewable further as per mutually agreeable terms.

► 4 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
Investments at amortized cost		
Investments in equity instruments		
Investment in subsidiaries		
-Vikas Organics Private Limited*	2,974.00	-
Others** investment in equity shares	2,850.00	
Other investments		
Investments in real estate projects***	19,950.00	5,500.00
Total	25,774.00	5,500.00

*The company has acquired 7.05 Lakhs equity shares which is 100% share capital of Vikas Organics Private Limited (VOPL) accounted at amortized cost in accordance with Ind AS-28. Accordingly, the Company is reported as wholly owned subsidiary of Vikas Ecotech Limited (VEL).

**The company has purchased 26,88,679 equity shares of M/s Roseland Buildtech Private Limited (RBPL) equivalent to 15.93% from Hallow Securities Private Limited (HSPL) at purchase consideration of ₹ 2,850 Lakhs. The necessary financial commitments have been fulfilled, and all requisite documentation for the purchase has been completed. However, the formalities for the transfer of shares are still pending.

- ***a) The company has collaborated in the development of real estate project in Gurugram, Haryana on profit sharing model with the Arm Estate Projects (P) Limited (AEPL). The project shall be funded in the ratio of 70:30, with our company contributing 70% of the total investment. The funds infused by us (till year end ₹ 2,150 Lakhs) will be used by the AEPL towards making payments to Huda against the cost of the plot and construction. The profit sharing ratio is 30:70, our company share is 30%.
- b) The company has collaborated in the development of real estate project in Sonipat, Haryana on profit sharing model with the BG Technocrafts Private Limited (BGTL) in the ratio of 70:30, with our company contributing 70% of the total investment. Total project cost is ₹ 1,80,000 Lakhs. The funds infused by us till year end ₹ 8,500 Lakhs. The profit sharing ratio is 30:70, our company share is 30%.
- c) The company has collaborated in the development of real estate project in Faridabad, Haryana on profit sharing model with the Innovative Supply Chains Solutions LLP (LLP) in the ratio of 70:30, with our company contributing 70% of the total investment. The funds infused by us (till year end ₹ 800 Lakhs) will be used by the LLP towards making payments to Huda against the cost of the plot and construction. The profit sharing ratio is 30:70, our company share is 30%.
- d) The company has entered into a collaboration agreement with Rudraveerya Developers Limited (RDL) for a significant real estate project in Delhi, NCR. The project will be funded with an investment ratio of 70:30, with our company contributing 70% of the total investment and our collaborating partner contributing the

remaining 30%. Upon the successful completion of the project, profits will be shared equally between both parties, with a 50:50 profit-sharing ratio. The estimated time for the completion of the project is five years, and the total estimated cost of the project is ₹ 13,000 Lakhs.

- e) The company has collaborated in the development of real estate project in Gurugram, Haryana on profit sharing model with the Nice Apartment Constructors (P) Limited (NACL) in the ratio of 70:30, with our company contributing 70% of the total investment. The funds infused by us (till year end ₹ 7,000 Lakhs) will be used by the NACL towards making payments to Huda against the cost of the plot and construction. The profit sharing ratio is 30:70, our company share is 30%.

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	25,774.00	5,500.00
Aggregate amount of impairment in value of investments	-	-

► 5 **Non current loans**

Particulars	As at 31 March 2024	As at 31 March 2023
Loans Receivables considered good – Unsecured		
Other loans		
Loans given to parties other than related parties (including interest accrued)	1,539.39	-
Total	1,539.39	-

► 6 **Other non current financial assets**

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	51.79	47.44
Others		
Amount paid under protest*	372.46	336.23
Other receivables	7.58	22.52
Total	431.82	406.19

* The amount paid under protest deposits with Custom department amounting ₹ 4.89 Lakhs, with GST department ₹ 336.22 Lakhs, with VAT authority amounting ₹ 4.64 Lakhs and others amounting ₹ 26.71 Lakhs.

► 7 **Deferred tax assets (net)**

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets	90.02	58.71
Total	90.02	58.71

Reconciliation of deferred tax

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	58.71	58.94
Tax credit during the year recognised in Statement of profit and loss	(31.25)	0.23
Tax credit during the year recognised in Statement of OCI	(0.07)	-
Closing balance	90.02	58.71

Items constituting deferred tax asset/(liability)

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	43.91	48.64
Provision for gratuity, bonus & leave encashment	6.91	5.31
Provision for doubtful recovery	39.20	4.76
Closing balance	90.02	58.71

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by same taxation authority. During the year the Company has increased its existing Deffered Tax Assets to ₹ 90.02 lakhs.

► 8 **Other non-current assets**

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances	-	1,794.65
Others		
Fair value of plan assets	6.85	6.37
MEIS License	24.52	24.55
Other license and permissions	6.02	1.89
Advance to suppliers	158.84	165.02
Total	196.23	1,992.49

Capital advances was given against property namely unit number 2301 and 2304 in the project named The Amaryllis Central Delhi to Basant Projects Limited. During the year the same property has been sold for ₹ 1,830 Lakhs to Just Right Life Limited.

► 9 **Inventories**

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	3,281.20	2,530.20
Finished goods	227.63	959.80
Packing Material	23.89	13.96
Stock in trade	66.65	-
Real estate Inventory	23.48	34.48
Total	3,622.84	3,538.43

Inventory is valued at lower of cost or NRV

"(Valued and certified by the Company's Management, Independent Cost Accountant and Relied upon by Auditors)

The Company is in the business of High End additives and rubber-plastic compounds and accordingly deals in numerous items such as Tin Alloy / Ingots, 2Ethylhexyl Thioglycolate, Tinmate, Hydrogen Peroxide, PVC Resin, Styrene Butadiene Copolymer, Styrene Butadiene Styrene, Methyl Chloride (Gas) etc. Further, the company is also in trading of TMT Bars, Steel, HR Coils, CR Colis, ERW pipes & Coal. Keeping in view the nature of industry and vast number of items, it is not practical for the Company to give item wise break up of different type of products."

► 10 **Cash and cash equivalents**

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	3.46	1.13
Balances with banks	4.21	9.68
Total	7.67	10.81

► 11 **Bank balances other than cash and cash equivalents**

Particulars	As at 31 March 2024	As at 31 March 2023
Bank deposits with original maturity of more than three months but less than 12 months		
balances with banks held as margin money	287.27	379.75
Others		
Unpaid dividend account	9.96	9.96
Total	297.23	389.70

► 12 Other current financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Interest receivable	0.75	0.56
Other taxes recoverable	-	72.45
Balances with government authorities*-current	10.00	-
Security deposits-current	49.44	49.97
Total	60.19	122.98

*Cash seized by Alwar police in Section 144 of Criminal Procedure Code 1973 for code of conduct applicable in state of Rajasthan due to elections. The said cash has been released in April 2024.

► 13 Current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for income tax of current year	-	(60.34)
Provision for income tax of previous years	-	(72.45)
Other taxes recoverable	-	163.55
Total	-	30.76

► 14 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Advance to suppliers	363.71	4,302.78
Advance to employees	28.84	19.93
Advance with commissioner of customs	4.96	-
Prepaid expenses	16.15	13.02
Others* current assets	269.14	373.96
Total	682.80	4,709.70

► 15 Trade Receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Considered good	64.45	534.39
Significant increase in credit risk	367.07	-
Credit impaired	-	-
Total	431.52	534.39
Current		
Considered good	6,917.33	14,102.24
Significant increase in credit risk	-	-
Credit impaired	-	-
Total	6,917.33	14,102.24
Grand total	7,348.84	14,636.63

Ageing schedule for the year ended 31 March 2024

Particulars	Outstanding for following periods from due date of payment					
	<6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	> 3 Year	Total
Non-current						
(i) Undisputed trade receivables						
a) considered good	-	-	-	64.45	-	64.45
b) significant increase in credit risk	-	-	-	-	220.86	220.86
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses					(58.22)	(58.22)
(i) Disputed trade receivables						
a) considered good	-	-	-	-	-	-
b) significant increase in credit risk	-	-	-	-	301.98	301.98
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	(97.55)	(97.55)
Total	-	-	-	64.45	367.07	431.52
Current						
(i) Undisputed trade receivables						
a) considered good	6,643.85	188.65	84.83	-	-	6,917.33
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
(i) Disputed trade receivables						
a) considered good	-	-	-	-	-	-
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
Total	6,643.85	188.65	84.83	-	-	6,917.33
Grand total	6,643.85	188.65	84.83	64.45	367.07	7,348.84

Ageing schedule for the year ended 31 March 2023

Particulars	Outstanding for following periods from due date of payment					
	<6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	> 3 Year	Total
Non-current						
(i) Undisputed trade receivables						
a) considered good	-	-	-	135.74	74.77	210.50
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
(i) Disputed trade receivables						
a) considered good	-	-	-	2.71	321.18	323.88
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
Total	-	-	-	138.45	395.94	534.39
Current						
(i) Undisputed trade receivables						
a) considered good	13,823.72	227.64	50.88	-	-	14,102.24
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-

Less: Provision for expected losses	-	-	-	-	-	-
(i) Disputed trade receivables						
a) considered good	-	-	-	-	-	-
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
Total	13,823.72	227.64	50.88	-	-	14,102.24
Grand total	13,823.72	227.64	50.88	138.45	395.94	14,636.63

Amount receivable from related parties is disclosed under note no 41.

► 16 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorized share capital		
2,00,00,00,000 equity shares of ₹1/- each (1,50,00,00,000 equity shares in previous year)	20,000.00	15,000.00
Issued, subscribed and fully paid-up shares		
1,38,83,56,024 equity shares of ₹1/- each (94,85,76,024 equity shares in previous year)	13,883.56	9,485.76
Total	13,883.56	9,485.76

Reconciliation of number of equity share outstanding as at the beginning and at the end of year

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	94,85,76,024	9,486	93,93,36,847.00	9,393.37
Add: Shares issued during the year	43,97,80,000	4,398	92,39,177.00	92.39
Shares outstanding at the end of the year	1,38,83,56,024.00	13,883.56	94,85,76,024.00	9,485.76

The company has raised funds of Rs. 13,398 Lakh through issuance of fresh shares through Further Public Offer (FPO) which includes Qualified Institutional Placements (QIP) in 2 tranches. In first tranche we have issued 17,85,00,000 shares having paid up value Rs. 1/- & Share Premium of Rs. 1.80 per share, total issue size is Rs. 4998 Lakh & in second tranche, company has issued 16,12,80,000 shares having paid value Rs. 1/- & Security Premium of Rs. 2.10, total issue size is Rs. 4,999.68 Lakh. Further, Company has issued 10,00,00,000 shares on preferential basis to the promoters i.e. Mr. Vikas Garg at share price of Rs. 3.40 per share having paid up value Rs. 1/- & Security Premium of Rs. 2.40 per share, total preferential issue size is of ₹ 3400 Lakh.

Utilization of proceeds

The company has deployed these funds as per the objects of the proceeds. Proceeds from subscription to the Issue of Equity shares under QIP and preferential issue of 2023-24, made during the year ended 31 March 2024 have been utilised in the following manner:

Objects of preferential issue	Amounts	Objects fulfilled*	Balance
i) Working capital requirements, including repayment or prepayment thereof, meeting various expenditure of the company including contingencies	3,400.00	3,400.00	-
ii) a) Capital expenditure, including towards development, refurbishment and renovation of our assets b) Any other cost incurred towards the objects of the company c) Financing of business opportunities, strategic initiatives"			
iii) General corporate purpose			
iv) Issue expenses			
Total	3,400.00	3,400.00	-

Objects of preferential issue	Amounts	Objects fulfilled*	Balance
i) Working capital requirements, including repayment or prepayment thereof, meeting various expenditure of the company including contingencies	5,825.00	10,000.00	-
ii) a) Capital expenditure, including towards development, refurbishment and renovation of our assets b) Any other cost incurred towards the objects of the company c) Financing of business opportunities, strategic initiatives"	1,850.00		
iii) General corporate purpose	2,250.00		
iv) Issue expenses	75.00		
Total	10,000.00	10,000.00	-

*The company has described detailed utilisation of proceeds of QIP in its public placement documents (PPD) filed with the securities and exchange board of India (SEBI) and utilization of proceeds of preferential issue filed with stock exchanges. As per the objects, the company intends to use the Net Proceeds to finance (in whole or part) one or more, or any combination of the following: (a) working capital requirements, including repayment or prepayment thereof, meeting various expenditure of the Company including contingencies; (b) capital expenditure, including towards development, refurbishment and renovation of our assets; (c) any other cost incurred towards the objects of the Company; (d) financing of business opportunities, strategic initiatives; or (e) general corporate purpose. The Net Proceeds are proposed to be deployed towards the purpose set out above and not proposed to be utilized towards any specific project. The company has utilised the funds collectively in accordance with object of the issue in whole or part in one or more or any combination of the object of the issues.

"Terms / rights to Equity Shares

The Company has only one class of shares referred as equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Rights, Preferences and Restrictions

The Authorised Share Capital of the Company consists of Equity Shares having nominal value of ₹1/- each. The rights and privileges to equity shareholders are general in nature and allowed under Companies Act, 2013.

The equity shareholders shall have:

- (1) a right to vote in shareholders' meeting. On a show of hands, every member present in person shall have one vote and on a poll, the voting rights shall be in proportion to his share of the paid up capital of the Company
- (2) a right to receive dividend in proportion to the amount of capital paid up on the shares held. The shareholders are not entitled to exercise any voting right either in person or through proxy at any meeting of the Company if calls or other sums payable have not been paid on due date. In the event of winding up of the Company, the distribution of available assets/losses to the equity shareholders shall be in proportion to the paid up capital.

The details of shareholders holding more than 5% shares as at 31 March 2024 and 31 March 2023 are set out below:

Class of Shares / Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% held	No. of shares	% held
Vikas Garg	17,86,43,933	12.87%	7,86,43,933	8.29%

Details of shares held by promoters :

Class of Shares / Name of the Shareholder	Category	As at 31 March 2024			As at 31 March 2023		
		No. of shares	% held	% of change	No. of shares	% held	% of change
Vikas Garg	Promoter	17,86,43,933	12.87%	4.58%	7,86,43,933	8.29%	-
Vikas Garg Huf	Promoter Group	5,02,750	0.04%	-0.02%	5,02,750	0.05%	-
Nand Kishore Garg	Promoter Group	92,775	0.01%	0.00%	32,775	0.00%	-
Seema Garg	Promoter Group	2,175	0.00%	0.00%	2,175	0.00%	-

Vivek Garg	Promoter Group	21,550	0.00%	0.00%	21,550	0.00%	-
Ishwar Gupta	Promoter Group	42,800	0.00%	0.00%	42,800	0.00%	-
Nand Kishore Garg Huf	Promoter Group	37,750	0.00%	0.00%	37,750	0.00%	-
Jai Kumar Garg Huf	Promoter Group	18,500	0.00%	0.00%	18,500	0.00%	-
Asha Garg	Promoter Group	8,025	0.00%	0.00%	8,025	0.00%	-
Usha Garg	Promoter Group	5,33,000	0.04%	-0.02%	5,33,000	0.06%	-
Jai Kumar Garg	Promoter Group	19,750	0.00%	0.00%	19,750	0.00%	-
Vaibhav Garg	Promoter Group	5,000	0.00%	0.00%	5,000	0.00%	-
Sukriti Garg	Promoter Group	44,48,325	0.32%	0.32%	48,325	0.01%	-
Sukriti Welfare Trust	Promoter Group	56,550	0.00%	-0.47%	44,56,550	0.47%	-
Vikas Lifecare Limited	Promoter Group	40,14,783	0.29%	-0.14%	40,74,783	0.43%	-
Vrindaa Advanced Materials Limited	Promoter Group	23,515	0.00%	0.00%	23,515	0.00%	-

Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Company has not issued any share for consideration other than cash during the period of five year immediately preceding 31 March 2024

► 17 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium reserve	13,054.32	4,284.67
General reserve	1,471.20	1,471.20
Retained earnings	9,176.69	8,515.33
Other reserves	9.66	9.66
Share application money pending for allotment	(0.00)	(0.00)
Other comprehensive income	27.35	27.56
Total	23,739.23	14,308.43

Securities premium reserve

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	4,284.67	4,195.65
Additions during the year on account of shares forfeiture	-	33.59
Additions during the year on account of issue of equity shares (net of share issue related expenses)	8,999.88	55.46
Reduction on account of repayable of Application money	(230.23)	(0.02)
Closing balance	13,054.32	4,284.67

General reserve

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	1,471.20	1,471.20
Additions during the year	-	-
Deletions/ Transfer during the year	-	-
Closing balance	1,471.20	1,471.20

Retained earnings

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	8,515.33	7,562.62
Additions during the year	661.35	952.72
Deletions/ Transfer during the year	-	-
Closing balance	9,176.69	8,515.33

Other reserves

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	9.66	9.66
Additions during the year	-	-
Deletions/ Transfer during the year	-	-
Closing balance	9.66	9.66

Share application money pending for allotment

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	(0.00)	107.53
Additions during the year	-	14.12
Deletions/ Transfer during the year	-	(121.65)
Closing balance	(0.00)	(0.00)

Other comprehensive income

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	27.56	23.40
Additions during the year	(0.21)	4.16
Deletions/ Transfer during the year	-	-
Closing balance	27.35	27.56

► 18 Other non current financial liability

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits- Liability	14.75	-
Total	14.75	-

► 19 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Provision for employee benefits		
Gratuity	29.24	23.40
Total	29.24	23.40
Current		
Provision for employee benefits		
Gratuity	0.68	0.56
Total	0.68	0.56
Grand total	29.92	23.96

► 20 Other non current liability

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred security deposit	1.57	-
Total	1.57	-

► 21 **Current borrowings**

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Loans repayable on demand from banks		
cash credit limits	1,897.42	6,068.91
Unsecured		
Loans from related parties	-	109.15
Total	1,897.42	6,178.07

The Company is availing working capital limits under consortium from Punjab National Bank and State Bank of India with Punjab National Bank as lead banker in consortium and SBI is member bank.

The Company is availing a cash credit limit of ₹ 1,000 Lakhs from Punjab National Bank with a sub limit of PC / PCFC / FBP / FBD of ₹ 500 Lakhs under the same Cash Credit limit against Hypothecation of stock, receivable, and advance to suppliers and other current assets on pari-passu basis with consortium members. No DP against stock and Book debts exceeding 180 days to be allowed at Margin @ 25% and the current rate of interest is 1year MCLR (8.50%) + Spread (6.00%) i.e. 14.50% p.a. Further, the Company is also availing LC / DA / DP basis non Fund Based Limit of ₹ 750 Lacs (which includes both side inter change ability LC to CC for ₹ 500 Lacs) for procurement of Raw Material and spares. There are Cash Margins @ 15% in the shape of FDR(s) on LC limits. Total exposure from PNB is Rs. 1,750 lakhs as on 31 March 2024.

The Company is also availing Cash Credit limit of ₹ 1,350 Lakhs from State Bank of India (which includes interchangeability from CC to LC for ₹ 500 Lacs). The limit is secured by way of hypothecation of stock, receivables & other current assets on pari-passu basis with consortium members. No DP against stock and Book debts exceeding 180 days to be allowed at Margin @ 25% and the current rate of interest is 6 months MCLR (8.55%) + Spread 4.10% i.e. 12.65% p.a. Further the Company was availing Non Fund Based LC (Import / Inland /DP/ DA/ BG, Buyers Credit) limits of ₹ 400 lakhs for procurement of raw material and spares. There are Cash Margins @ 15% in the shape of FDR'(s) on LC limits. Total exposure from SBI is Rs. 1,750 lakhs as on 31 March 2024.

"Further, the fund based & non fund based limits from banks are secured by mortgage of following collateral assets:

- Industrial property at G-30 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan
- Industrial property at G-24-29 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar Rajasthan
- Industrial Property No. - F-7 & 8, Vigyan Nagar RIICO Indl. Area, Shahjahanpur, Tehsil Neemrana Distt. Alwar, Rajasthan

"Further, the Fund Based & Non Fund Based limits are guaranteed by personal guarantee of the following persons:

- Nand Kishore Garg
- Vikas Garg
- Vivek Garg
- Usha Garg
- Seema Garg
- Namita Garg"

► 22 **Other current financial liabilities**

Particulars	As at 31 March 2024	As at 31 March 2023
Unpaid dividends	9.96	9.96
Security deposit	1.11	43.21
Deferred purchase consideration payable*	45.00	-
Amount refundable to customer against cancelled purchase orders	-	713.27
Share application money refundable	0.18	0.18
Other advances		
Capital advances refundable-L	95.20	95.20
Expenses payable	99.96	82.65
Total	251.40	944.45

*Deferred purchase consideration consist of payment to VOPL which is on hold and shall be released upon fulfillment of certain conditions in accordance with the share purchase agreement.

▶ 23 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from customers	186.12	353.81
Statutory dues payable	67.97	262.40
Deferred security deposit	1.14	
Total	255.23	616.21

▶ 24 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for income tax of current year	255.26	-
Provision for income tax of previous years	78.45	-
Other taxes recoverable	(65.77)	-
Total	267.94	-

Current tax assets/liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax liabilities	255.26	60.34

Reconciliation of effective tax rate

Particulars	As at 31 March 2024	As at 31 March 2023
Net income before tax	910.08	1,054.52
Enacted tax rate in India	25.17%	25.17%
Computed tax expense	229.05	265.40
Adjustments on account of		
brought forward losses/unabsorbed depreciation	-	(204.41)
other than permanent difference	38.26	4.81
permanent difference	(12.05)	(5.46)
Income tax expense recognised in the statement of profit and loss	255.26	60.34

▶ 25 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	43.36	301.15
-total outstanding dues of creditors other than micro enterprises and small enterprises	2,589.60	2,401.53
Total	2,632.96	2,702.67

- i) All Trade payables are non-interest bearing other than amount payable to MSME.
- ii) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Note No.41.
- iii) The company has obtained confirmations from MSME Creditors with respect to Non Payment of Interest on Amount Payable for more than 15 Days.

Ageing schedule for the year ended 31 March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 to 2 year	2 to 3 year	More than 3 years	Total
(i) MSME	42.64	0.72	-	-	43.36
(ii) Others	2,434.03	59.20	31.21	65.16	2,589.60

(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing schedule for the year ended 31 March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 to 2 year	2 to 3 year	More than 3 years	Total
(i) MSME	301.15	-	-	-	301.15
(ii) Others	2,270.48	39.82	87.83	3.40	2,401.53
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

The Company exposure to liquidity risk related to the above financial liabilities is disclosed in Note 40.

Amount due to Micro, Small and Medium Enterprises :

- There were amounts outstanding to be paid to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) .
- No interest is paid/payable during the year to any enterprise registered under the MSMED.
- The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSMED.

► 26 Revenue from operations

Particulars	As at 31 March 2024	As at 31 March 2023
Sale of products	25,042.70	39,353.91
Inter branch sales	(382.74)	-
Other operating revenues	-	912.99
Total	24,659.96	40,266.89

► 27 Other income

Particulars	As at 31 March 2024	As at 31 March 2023
Interest income	59.77	26.55
Foreign exchange fluctuation gain	9.71	-
Rebates and discounts received	0.32	-
Profit/loss on sale of fixed assets	35.63	17.99
Balances written back*	106.15	-
Rental income & CAM charges	92.11	92.47
Other non operating income	6.84	180.79
Total	310.53	317.80

* The balances written back includes an amount of ₹ 106.38 Lakhs booked as custom duty payable on provisional basis on loss of raw material due to fire occurred on 31 March 2017. The amount is no more required to pay, hence, the amount is liable to written back during the financial year ended 31 March 2024.

► 28 Cost of material consumed

Particulars	As at 31 March 2024	As at 31 March 2023
Opening inventory of raw material	2,544.16	7,377.74
Inventory reclassified as stock in trade	(50.19)	-
Add: Purchases	9,037.54	9,234.40
Inter branch purchases	(382.74)	-
Add: Direct expenses	952.81	-
Less: Closing inventory of raw material	(3,305.09)	(2,544.16)
Total	8,796.49	14,067.98

▶ 29 Purchases of stock-in-trade

Particulars	As at 31 March 2024	As at 31 March 2023
Purchase of traded goods (including direct expenses and overheads)	11,875.27	22,482.17
Inventory reclassified as stock in trade	50.19	-
Total	11,925.46	22,482.17

▶ 30 Changes in inventories of finished goods, Stock-in-trade, packing material and work-in progress

Particulars	As at 31 March 2024	As at 31 March 2023
Closing inventory	317.75	994.27
Opening inventory	994.27	839.14
Change in inventories	676.52	(155.13)

▶ 31 Employee benefits expense

Particulars	As at 31 March 2024	As at 31 March 2023
Salaries, wages and bonus*	247.08	165.48
Director's remuneration	17.57	12.00
Contribution to provident and other funds	24.45	15.88
Staff welfare expenses	49.30	61.40
Total	338.39	254.76

▶ 32 Finance costs

Particulars	As at 31 March 2024	As at 31 March 2023
Interest expenses on borrowings	604.62	938.12
on others	0.75	0.04
Other financing charges	52.87	98.60
Total	658.24	1,036.76

▶ 33 Depreciation and amortization expenses

Particulars	As at 31 March 2024	As at 31 March 2023
Depreciation & Impairment on tangible assets	375.23	396.19
Total	375.23	396.19

▶ 34 Other expenses

Particulars	As at 31 March 2024	As at 31 March 2023
Freight outward	160.16	272.34
Bank charges	26.78	22.83
Legal and professional	181.47	174.15
Auditor remuneration	12.50	12.50
Directors' sitting fees	2.80	2.00
Travelling and conveyance	82.12	63.84
Donation	3.99	2.03
Insurance	14.71	29.92
Electricity Expenses	5.73	5.85
Loading and unloading expenses	13.40	11.00
Security Charges	53.76	19.56
Business promotion	150.30	35.34
Repairs and maintenance		
Plant and machinery	226.86	42.81
Buildings	18.58	19.00

Others	32.93	12.00
Printing and stationery	10.03	10.15
Postage and courier	1.78	6.51
Communication costs	7.00	5.87
Rent	14.19	27.92
Foreign exchange fluctuation loss	-	10.47
Interest, late fees and penalty	13.21	5.75
Rates, fees and taxes	18.21	2.73
Vehicle Running Expenses	3.50	4.62
Research & Development	-	3.20
ECL provision	174.69	-
Rebates and discounts given	-	585.56
Miscellaneous expenses	61.09	65.05
Total	1,289.79	1,453.00

Payments to Statutory auditors

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory audit fees	12.50	12.50
Taxation matters	-	-
Company law matter	-	-
For other matters	5.35	0.22
Reimbursement	-	-
Total	17.85	12.72

► 35 Earning per share

Particulars	As at 31 March 2024	As at 31 March 2023
Basic EPS		
Profit for the year	661.14	956.87
Weighted number of shares outstanding	1,21,18,30,887	94,85,76,024
Basic and Diluted EPS (Rs.)	0.05	0.10
Diluted EPS		
Profit for the year	661.14	956.87
Weighted number of shares outstanding	1,21,18,30,887	94,85,76,024
Basic and Diluted EPS (Rs.)	0.05	0.10

► 36 Details of CSR expenditure as per Section 135 of Companies Act, 2013

Particulars	As at 31 March 2024	As at 31 March 2023
Gross amount required to be spent by the company during the year	-	-
Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-
The total of previous years' shortfall amounts	-	-
Reason for above shortfall	NA	NA
Nature of CSR activities undertaken by the company	NA	NA

The provision applies to the companies having Net Worth of more than Rs. 500 Crores or Turnover more than Rs. 1000 Crores or Net profit more than Rs. 5 Crores in the preceding financial year. The company's Net profit, Turnover & Net Worth of preceding financial year is above the prescribed limit but the amount required to be spent during the year is NIL as company incurred losses during previous years.

► 37

Employee benefits

Post-employment benefits plans

(a) Defined contribution plans

Particulars	As at 31 March 2024	As at 31 March 2023
Employer's contribution to provident fund	9.10	6.90

(b) Defined benefit plans

The Company operates a defined benefit gratuity plan, wherein every employee, who has rendered at least five years of continuous service, is entitled to the gratuity benefit equivalent to 15 days of total basic salary last drawn for each completed year of service, in terms of Payments of Gratuity Act, 1972. The Company has taken Group Gratuity Scheme for the employees from the LIC of India. Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the each reporting period, as required under Ind AS 19 Employee Benefits.

(a) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
At the beginning of year	23.97	24.77
Current services cost	3.89	2.95
Interest cost	1.79	1.81
Remeasurements of Actuarial (gain)/ loss	0.28	(5.56)
At the end of year	29.92	23.97

(b) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
At the beginning of year	6.37	5.94
Investment income	0.48	0.43
At the end of year	6.85	6.37

(c) Expenses recognised in the statement of profit and loss

Particulars	As at 31 March 2024	As at 31 March 2023
Service cost	3.89	2.95
Interest cost	1.31	1.37
Total	5.20	4.32

(d) Amount recognised in other comprehensive income

Particulars	As at 31 March 2024	As at 31 March 2023
Actuarial (gain)/ losses	0.28	(5.56)

(e) Assumptions used to determine the benefit obligation are as follows

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.15%	7.45%
Expected rate of increase in compensation levels	5.00%	5.00%
Retirement age (in years)	60	60
Attrition rate based on age (per annum)		
upto 30 years	3%	3%
31-44 years	2%	2%
Above 44 years	1%	1%

(f) Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is 12 years (Previous year 13 Years). The expected maturity analysis of undiscounted gratuity is as follows:

Expected cash flows over the next (valued on undiscounted basis)	As at 31 March 2024	As at 31 March 2023
1 year	0.68	0.56
2 to 5 years	3.17	2.64
6 to 10 years	26.76	49.55
More than 10 years	50.47	60.14

(g) **Sensitivity analysis**

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (1% movement)	33.79	26.62	27.11	21.28
Salary growth rate (1% movement)	26.53	33.84	21.20	27.16
Attrition Rate (- / + 50% of attrition rates)	29.48	30.31	23.53	24.36
Mortality Rate (- / + 10% of mortality rates)	29.89	29.94	23.94	23.99

The sensitivity analyses are based on change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

► **38 Contingent liabilities**

a) **Claims against the company- Nil**

b) **Guarantees- not acknowledged as debts**

Particulars	As at 31 March 2024	As at 31 March 2023
Bank guarantees issued by banks on behalf of the Company*	26.54	111.29
Duty against advance license	88.54	88.54
Total	199.83	175.26

* Above Figures are stated without considering margin money given by the company, for margin money details please refer Note no 11

c) **Claims not acknowledged as debts**

During the Financial year 2023-24, the income tax department conducted the search on the Vikas Ecotech Limited and its group companies including residence of promoter and KMPs under section 153 of the Income Tax Act. The said search was an additional cover of premises because of transaction with the M/s Best Agrolife Limited and its promoter. As per panchnama dated 30 September 2023 drawn on the conclusion of search no major deviation reported in the books of accounts. Further the department has not impounded any valuable article or things arising out of such proceedings.

The company has filed and appeal against the assessment order under section 153C passed by the Ld. Assessing Officer circle-31, Jhandealana, Delhi. The said appeal involves total demand of ₹ 660.60 Lakhs which pertains to assessment year 2010-11 to 2020-21. Further, the Ld. AO has initiated penalty proceeding u/s 274 of the income tax act, 1961.

During the year the income tax department has issued notice u/s 148 of the income tax act, 1961 for assessment year 2013-14 to 2017-18 & 2021-22 to 2022-23, against this notice the company has preferred to file a writ petition before honourable Delhi high court. The decision of such cases are pending as on 31 March 2024.

The company has filed rectification application u/s 154 of the income tax act, 1961 for the assessment year 2015-16 which is pending for order by the department. Although the company has already deposited outstanding tax of ₹ 3.70 Lakhs.

The Income Tax Department has filed an appeal against the order of honorable ITAT Delhi with respect to total addition of ₹ 339 Lakhs pertains to assessment year 2012-13. Such case is pending before the Honorable Delhi High Court. The total demand of income tax involves the matter of law whether the compensation received against the compulsory acquisition will be treated as agriculture Income or profit from business as sale of real estate division of the company.

An enquiry from the DGGI was initiated in April 2022 pertaining to verification of certain suppliers, wherein Vikas Ecotech Limited submitted a deposit of ₹ 300 Lakhs with the authorities, which is considered as recoverable, if and when the sanctity of the said supplier is verified and the enquiry is concluded favourably. As on the balance sheet date, the matter is pending and no show cause notice is yet issued.

During the year, the company has filed an appeal against the order of the Ld. Deputy Commissioner, Gautam Budh Nagar Noida under section 73 of the CGST act, 2017. The demand of ₹ 63.78 Lakhs pertains to difference in the Input tax credit availed through the GSTR-3B and populated in GSTR-2A. The said assessment pertains to the financial year 2017-18 having GSTN 09AAACV0608G2ZK.

Whereas the consequential interest and penalty of ₹ 63.78 Lakhs and ₹ 91.88 Lakhs respectively determined by the Ld. Deputy commissioner of Goods and Service Tax, Noida. Out of total demand raised, the company agreed for demand of ₹ 1.54 Lakhs and filed appeal with respect to disputed amount of Rs. 62.24 Lakhs and deposited 10% of the disputed demand as pre-deposit amounting ₹ 6.22 Lakhs.

During the year, the company has filed an appeal against the order of the Ld. Sales Tax Officer Ward-52, Delhi under section 73 of the CGST act, 2017. The demand of ₹ 207.52 Lakhs pertains to difference in the Input tax credit availed through the GSTR-3B and populated in GSTR-2A. The said assessment pertains to the financial year 2017-18 having GSTN 07AAACV0608G1ZP. Whereas the consequential interest and penalty of ₹ 207.52 Lakhs and ₹ 20.75 Lakhs respectively determined by the Ld. Sales tax officer of Goods and services tax, Delhi. Further the company has deposited 10% of the demand of Rs. 20.75 Lakhs as a pre deposit for filing appeal against the order on 12th April 2024.

The Assistant Commssioner- II, Circle C, Enforcement wing III, Jaipur unit of Goods and services tax has initiated enquiry under section 70 of RGST Act, 2017 with respect to transaction with one of the supplier of the company. The department has deposited amount of ₹ 30 Lakhs u/s 73(5) of RGST Act, 2017 under protest. Further, the company has preferred a civil writ petition number 5022/2024 before honourable Jaipur High Court against such proceedings initiated by Ld. Assisstant Commissioner of GST Jaipur, the said petition is pending as on the date of balance sheet.

The Company has filed civil suit against ADM Agro Industries Kota and Akola Limited supplier of Soya Bean Oil in Saket Court Delhi (Case No-CS OS No.-198/214) amounting ₹99.62 Lakhs due to poor supply of soya bean oil. The Company has suffered a loss due to such poor quality of material supplied by them and non-recovery of money from debtors and it also affect goodwill of the Company. ADM Agro Industries Kota and Akola Limited has also filed winding up petition against the Company in High Court (Case No. CO PET N. 64/2014) due to non-payment of Rs. 41,15,664 along with interest at the rate of 18% from the due date of payment. ADM Agro Industries Kota and Akola Limited has also filed a summary suit for recovery of debts in Tis Hazari Court (Summary Suit No. – C S (OS) 3077/2014).

Mr. Pradip Kumar Banerji (Former director) of Vikas Ecotech Limited has sued company for non-allotment of 4,37,000 equity shares under Employee Stock Option Scheme, 2011 for ₹ 110 Lakhs. Case is pending till 31 March 2024 in High Court of Delhi for disposal.

The Directorate of Enforcement, Delhi Zonal Office, New Delhi has issued a provisional attachment order ("Order") bearing number 04/2020 and file number ECIR/10/DZ-1/2017 under section 5(1) of The Prevention of Money Laundering Act, 2002 ("PMLA") against our company, its director Mr. Vikas Garg and other third parties. The ED has recovered the amount of ₹ 7.16 Lakhs on 29 June 2021 kept in the attached bank account No- 19450210001943 maintained with the UCO bank. After recovery of the said amount, attachment has been released by ED and duly closed by the company in FY 21-22.

d) **Other money for which company is contingently liable- Nil**

► **39 Capital commitment**

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts to be executed on capital account	-	30.37
Contractual capital commitment to be fulfilled in respect of real estate projects*	1,25,100.00	-

* In pursuance of its planning to enter into Green-Enviro-friendly Infrastructure Development Projects, the company has entered into collobolartion agreement with real estate companies and induced funds of ₹ 19,950 Lakhs on account of its part contribution. The said funds contribution has been shown as Investments in Note 4 in the Balance Sheet. The estimated cost of project in certain cases is yet to be ascertained after conducting comprehensive assessments and feasibility studies to establish a precise project cost and accordingly remaining contribution of the company shall be decided at appropriate stages in the project development as required from time to time.

► **40 Fair value measurement and financial instruments**

Financial instruments – by category and fair value hierarchy

The following table shows the carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy:

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets		
At amortised cost		

Non current		
Investments	25,774.00	5,500.00
Loans	1,539.39	-
Trade receivables	431.52	534.39
Others	431.82	406.19
Current		
Trade receivables	6,917.33	14,102.24
Cash and cash equivalents	7.67	10.81
Bank balances other than cash and cash equivalents	297.23	389.70
Others	60.19	122.98
	35,459.15	21,066.31
Financial liabilities		
At amortised cost		
Non current		
Others	18.62	-
Current		
Borrowings	1,897.42	6,178.07
Trade payables	2,632.96	2,702.67
Others	250.29	944.45
	4,796.53	9,825.20

The following methods / assumptions were used to estimate the fair values:

- The carrying value of cash and cash equivalents, trade receivables and trade payables and liabilities approximate their fair values mainly due to short-term maturities of these instruments.
- The fair value of other financial assets and other financial liabilities is estimated by discounting future cash flows using rates applicable to instruments with similar terms, currency, credit risk and remaining maturities. The fair values of other financial assets and other financial liabilities are assessed by the management to be same as their carrying value and is not expected to be significantly different if estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. These are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The Company's borrowings have been contracted at floating rate of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

There are no significant unobservable inputs used in the fair value measurement.

Fair value hierarchy

All financial instrument for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the financial instruments measured at fair value, by level within the fair value measurement hierarchy:

Particulars	Level	As at 31 March 2024	As at 31 March 2023
Financial assets			
At amortised cost			
Non current			
Investments	Level 3	25,774.00	5,500.00
Loans	Level 3	1,539.39	-
Trade receivables	Level 3	431.52	534.39
Others	Level 3	431.82	406.19
Current			

Trade receivables	Level 3	6,917.33	14,102.24
Cash and cash equivalents	Level 3	7.67	10.81
Bank balances other than cash and cash equivalents	Level 3	297.23	389.70
Others	Level 3	60.19	122.98
		35,459.15	21,066.31
Financial liabilities			
At amortised cost			
Non current			
Others	Level 3	14.75	-
Current			
Borrowings	Level 3	1,897.42	6,178.07
Trade payables	Level 3	2,632.96	2,702.67
Others	Level 3	251.40	944.45
		4,796.53	9,825.20

During the year ended 31 March 2024 and 31 March 2023, there were no transfers between Level 1, Level 2 or Level 3 fair value measurements.

► 41 **Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.**

Particulars	As at 31 March 2024	As at 31 March 2023
Principal amount remaining unpaid to any supplier as at the end of the accounting year	43.36	301.15
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year*	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

*Interest due on Micro and small Enterprises is nil, as confirmation from MSME creditors is received that no interest would be claimed or charged on outstanding balance with the company

► 42 **Related party disclosures as per Ind AS-24 "Related Party Disclosures"**

Name	Relation	Date of appointment	Date of cessation
Vikas Garg	Managing director	15-06-1992	-
Vivek Garg	Non executive director	25-07-2008	10-08-2023
Dinesh Bhardwaj	Executive director	06-05-2022	01-05-2023
Amit Dhuria	Chief financial officer	30-05-2018	-
Prashant Sajwani	Company secretary	31-07-2020	-
Balwant Kumar Bhushan	Executive director	13-05-2023	-
Balwant Kumar Bhushan	Chief Executive Officer	13-05-2023	-
Rajeev Kumar	Executive director	10-08-2023	-
Vikas Organics Private Limited	Wholly owned subsidiary	-	-
IGL Genesis Technologies Limited	Vikas Garg (Common director)	-	-
Just Right Life Limited	Significant influence of relatives of director	-	-
Seema Garg	Relative of director	-	-

Related party transactions and balances for the year ended 31 March 2024 and 31 March 2023 are as below:

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured loan		
Vikas Garg		
Opening balance	109.15	1,349.37
Taken during the year	606.60	923.20
Reimbursement of expenses	25.83	-
Interest charged during the year	-	-
Repaid during the year	741.58	2,163.41
Closing balance	-	109.15
Preferential warrants		
Vikas Garg		
Opening balance	-	-
Warrants issued	3,400.00	-
Shares issued/warrants converted	3,400.00	-
Closing balance	-	-
Salary & other payables		
Vikas Garg	0.20	0.90
Dinesh Bhardwaj	-	0.49
Amit Dhuria	1.37	1.43
Prashant Sajwani	0.85	0.70
Balwant Kumar Bhushan	0.50	-
Rajeev Kumar	0.44	-
Remuneration and other benefits		
Vikas Garg	12.20	12.00
Dinesh Bhardwaj	1.42	8.20
Amit Dhuria	22.83	20.95
Prashant Sajwani	10.21	8.10
Balwant Kumar Bhushan	5.34	-
Rajeev Kumar	5.59	-
Reimbursement of expenses		
Amit Dhuria	1.14	-
Prashant Sajwani	0.77	-
Vikas Garg	42.67	-
Advik Optoelectronics Limited		
Sale of goods	-	396.50
Repair and maintenance	-	2.76
Amount receivable	-	262.32
Rent		
Seema Garg	5.37	5.04
Vikas Organics Private Limited		
Sale of goods	13.50	-
Amount receivable	15.93	-
IGL Genesis Technologies Limited		
Purchase of fixed assets	5.56	-
Service charges	0.25	-
Amount payable	0.29	-
Just Right Life Limited		
Sale of property booking rights	1,830.00	-
Reimbursement of expenses	0.87	-

Segregation of post-employment benefit plans of gratuity for individuals cannot be ascertained.

Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

► **43 Status of Insurance Claim**

The fire incidence occurred at factory located at RIICO Industrial Area, Shahjahanpur, Rajasthan on 31 March 2017. The claim was lodged with Insurance Company for ₹1,631 Lakhs out of which ₹1,065 Lakhs was on account of stock. The company has filed appeal before the National Consumer Forum for the differential amount and Interest on delayed payment as well. Protocol insurance surveyors and loss assessors Private Limited has submitted insurance claim to the Insurance company and the claimed approved ₹ 614.98 Lakhs against stock and ₹ 319.33 against Plant & Machinery.

The Division officer (DO) of Oriental Insurance Company has approved the report submitted by surveyor without any modifications. Further, Division Officer has submitted their report to regional office for further disbursement of claim, in response to the evidence and Documents submitted the Ad hoc deduction of 10 % of consent amount (₹ 934.31 Lakhs) was made by the OIC. On 20 September 2019 the OIC had paid ₹ 837.60 Lakhs as settlement of claim. Aggrieved by the receipt of claim the company has filed appeal before the National Consumer court. The National Consumer court has approved the claim of ₹ 1,287.70 Lakhs on 30 April 2024 and same was received by the company. In nutshell the company has received ₹ 2,125.30 Lakhs including interest on delay payment from the date of acceptance of claim to the date of payment.

► **44 Financial risk management objectives and policies**

The Company's principal financial liabilities comprise borrowings, trade payables etc. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, security deposits, etc. that derive directly from its operations.

The Company is exposed to market risk (interest rate risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance frame work for the Company are accountable to the Board Audit Committee. This process provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and Company's risk appetite. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

Market Risk – Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's borrowings with floating interest rates.

Exposure to interest rate risks

The Company's interest rate risk arises majorly from the borrowings carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable rate instruments	As at 31 March 2024	As at 31 March 2023
Secured loan from banks (including current maturities)	1,897.42	6,068.91

Interest rate sensitivity analysis

A reasonably possible change of 0.5% in interest rates at the reporting date would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

Particulars	Statement of Profit and Loss for the year ended 31 March 2024		Statement of Profit and Loss for the year ended 31 March 2023	
	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Interest on loan	19.92	(19.92)	38.68	(38.68)

Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	Note no	As at 31 March 2024	As at 31 March 2023
Trade receivables	15	7,348.84	14,636.63
Cash and cash equivalents	10	7.67	10.81
Other bank balances	11	297.23	389.70
Other financial assets (including investments)	4/5/6/13	27,805.40	6,029.17

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents and bank deposits is generally limited as the Company transacts with Banks having a high credit ratings assigned by domestic credit rating agencies.

► 45 **Transaction with entities covered under promoter group as defined under SEBI Listing Regulations**

Particulars	As at 31 March 2024	As at 31 March 2023
Vrindaa Advanced Materials Limited		
Purchase of goods	1,606.12	1,822.07
Sale of goods/services/fixed assets	-	471.85
Amount receivable		
Vrindaa Advanced Materials Limited		
Opening balance	2,888.85	3,922.16
Purchase of goods (including GST)	1,894.50	2,150.05
Sale of goods/services/fixed assets (including GST)	-	474.29
Others (Reimbursements, TDS, third party payments etc.)	4.25	4.36
Receipts (including advances)	3,996.00	2,629.40
Payments (including advances)	3,000.20	3,267.50
Closing balance	2.81	2,888.85
Vikas Lifecare Limited		
Purchase of goods/services	247.13	2,387.71
Sale of goods	760.01	141.58
Others (Reimbursements, TDS, third party payments etc.)	62.73	809.10
Amount receivable		
Vikas Lifecare Limited		
Opening balance	247.22	2,540.27
Sale of goods (including GST)	896.81	147.72
Purchase of goods (including GST)	291.62	1,476.74
Others (Reimbursements, TDS, third party payments etc.)	62.73	(2,008.05)
Receipts (including advances received back)	3,795.33	3,596.52
Payments (including advance against suppliers)	2,991.50	4,640.54
Closing balance	111.31	247.22

► 46 **Information on Segment Reporting pursuant to Ind AS 108 - Operating Segments**

Operating segments:

Infra & Energy

Chemical, Polymers & Special Additives

Real Estate

Identification of segments:

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products & services.

Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers.

#	Particulars	31 March 2024	31 March 2023
1	Revenue by nature of products/services		
(a)	Infra & Energy	12,176.48	25,491.97
(b)	Chemical, Polymers & Special Additives	12,483.48	14,774.92
(c)	Real Estate	-	-
	Total	24,659.96	40,266.89
2	Segment Results before tax and interest		
(a)	Infra & Energy	1,290.14	3,450.90
(b)	Chemical, Polymers & Special Additives	1,982.34	439.03
(c)	Real Estate	(11.00)	(18.04)
	Sub Total	3,261.48	3,871.89
Less	Finance costs	658.24	1,036.76
Add	Other income	310.53	317.80
Less	Other expenses	2,003.42	2,103.96
	Profit before tax	910.36	1,048.96
Less	Tax expenses	249.00	96.25
	Net profit	661.35	952.72

3 Segment capital employed

The assets and liabilities of the Company are used interchangeably amongst segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence, assets and liabilities have not been identified to any of the reportable segments.

4 Major customers

For the year ended 31 March 2024, revenue from two customers of the Infra & Energy Segment represented approximately ₹ 5,640.54 Lakhs and ₹ 1,569.67 Lakhs of the total revenue

For the year ended 31 March 2023, revenue from two customers of the Infra & Energy Segment represented approximately ₹ 10,661.19 Lakhs and ₹ 12,906.86 Lakhs of the total revenue

Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

- 5 During the year, the company has expand its real estate division at a bigger scale. Adding to the real estate business, company has collaborated with other real estate groups and entered into several joint development agreements. The company made investment in such projects worth ₹19,950 Lakhs as per their part contribution till 31 March 2024. The projects income is not yet accrued to the company as all the projects are at initial stages. (Refer note no. 4 for detail)

► 47 Trade receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

"Impairment of financial assets:

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets. In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost. ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss provision for trade receivables is determined as follows:”

Particulars	Expected loss rate
Not past due & Past due between 0 to 3 years	0%
Past due between 3 to 5 years	25%
Past due between 5 to 6 years	30%
Past due above 6 years	40%

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2024 and 31 March 2023 are as follows:

Particulars	Currency	As at 31 March 2024	As at 31 March 2023
Trade receivables	INR	-	-
Trade payables	INR	312.94	733.51
Advance to suppliers	INR	47.37	18.98
Borrowings	INR	-	-
Net foreign currency exposure	INR	(265.57)	(714.53)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollar & Euro at reporting date would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in thousands of INR	As at 31 March 2024		As at 31 March 2023	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
INR for Foreign Currency Exposure	-2.66	2.66	7.15	(7.15)

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company’s objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company principal sources of liquidity are cash and cash equivalents and the cash flow generated from operations. The Company closely monitors its liquidity position and deploys a robust cash management system.

The table below summarizes the maturity profile of the Company’s financial liabilities based on contractual undiscounted payments:

As at 31 March 2024

Particulars	Carrying amount	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
Borrowings	1,897.42	-	1,897.42	-	-	1,897.42
Trade payables	2,632.96	2,632.96	-	-	-	2,632.96
Other financial liabilities	266.15	-	266.15	-	-	266.15

As at 31 March 2023

Particulars	Carrying amount	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
Borrowings	6,178.07	-	6,178.07	-	-	6,178.07
Trade payables	2,702.67	2,571.63	-	39.82	91.22	2,702.67
Other financial liabilities	944.45	-	944.45	-	-	944.45

Capital management

Capital includes equity attributable to the equity holders of the parent. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No major changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and 31 March 2023.

The Company's capital consists of equity attributable to equity holders that includes equity share capital, retained earnings and borrowings.

Particulars	As at 31 March 2024	As at 31 March 2023
External resources	1,897.42	6,178.07
Less: Available assets	7.67	10.81
Total debt (a)	1,889.75	6,167.26
Total equity (b)	37,622.79	23,794.19
Capital gearing ratio ((a)/(a+b))	4.78%	20.58%

► 48 Regrouping/ Reclassification

Certain reclassification have been to the comparative period Financial statements to enhance comparability with the current financial year financial statements & enhance compliance with guidance note on the Division-II- Ind AS Shedule III to the companies Act, 2013.

As a result, certain line items, comparative figures of 31 March 2023, have been reclassified in the balance sheet as at 31 March 2024 the details of which are as under:

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Finance costs				a) Amount reclassified to interest, late fees and penalty under the head other expenses as company has paid interest on late deposit of statutory liabilities
Interest expenses				
on others	4.52	(4.49)	0.04	
Other financing charges	121.46	(22.87)	98.60	
Other expenses				b) Amount reclassified to bank charges under the head other expenses as bank charges is not a part of finance costs.
Interest, late fees and penalty	-	4.52	4.52	
Bank charges	-	22.83	22.83	
Total	125.99	-	125.99	

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Cost of RM consumed				Inventory of finished goods is reclassified from consumption to change in inventory of finished goods
Opening inventory	8,164.36	(786.62)	7,377.74	
Purchases including direct expenses	9,234.40	-	9,234.40	
Closing stock	3,503.96	(959.80)	2,544.16	
COGS	13,894.80	173.18	14,067.98	
Change in inventory of FG				
Opening stock	52.52	786.62	839.14	
Closing stock	34.48	959.80	994.27	
Change in stock	18.05	(173.18)	(155.13)	
Total	13,912.85	(0.00)	13,912.85	

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Cash and cash equivalents				Reclassified unpaid dividend account from cash and cash equivalents to bank balances other than cash and cash equivalents as per Division II Schedule III presentation
Unpaid dividend account	9.96	(9.96)	-	
Bank balances other than cash and cash equivalents				
Others				
Unpaid dividend account	-	9.96	9.96	
Total	9.96	-	9.96	

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Other current financial liabilities				Amount reclassified from other current financial liabilities to other current liabilities as these are of non financial nature
Statutory dues payable	82.65	(82.65)	-	
Other current liabilities				
Statutory dues payable	-	82.65	82.65	
Total	82.65	-	82.65	

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Other current financial assets				Provision for income tax, advance tax and TDS is reclassified from other current financial assets to current tax assets (net)
Other taxes recoverable	103.21	(30.76)	72.45	
Current tax assets (net)				
Provision for income tax of current year	-	(60.34)	(60.34)	
Provision for income tax of previous years	-	(72.45)	(72.45)	
Other taxes recoverable	-	163.55	163.55	
Total	103.21	-	103.21	

► 49 Ratios

The following are analytical ratios for the year ended 31 March 2024 and 31 March 2023

#	Particulars	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	% Change	Reason for variance
1	Current Ratio (no. of times)	Current assets	Current liabilities	2.18	2.19	-0.43%	NA
2	Debt-Equity Ratio	Total debt	Shareholder's equity	0.05	0.26	-80.58%	Due to repayment of borrowings and increase in shareholders's equity
3	Debt Service Coverage Ratio (no. of times)	Earnings available for debt service	Debt Service	NA	NA	NA	There is no term loan or debt which have stipulated repayment schedule
4	Return on Equity (ROE) (%)	Net profit after taxes	Average shareholder's equity	2.15%	4.09%	-47.38%	Due to decrease in net profit after taxes and increase in average shareholder's equity
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	5.98	6.19	-3.49%	NA

6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.24	2.86	-21.66%	NA
7	Trade payables turnover ratio	Total Purchases	Average trade payables	8.05	14.98	-46.23%	Due to decrease in purchases and increase in average trade payables
8	Net capital turnover ratio	Revenue from operations	Working capital	3.93	3.23	21.49%	NA
9	Net profit ratio (%)	Net Profit (total comprehensive income)	Revenue from operations	2.68%	2.38%	12.82%	NA
10	Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed	4.17%	8.77%	-52.44%	Due to decrease in EBIT and increase in capital employed
11	Return on investment (ROI) (%)	Income generated from investments	Average value of investments	NA	NA	NA	NA

► 50 **Other Statutory Informations**

- a) All the immovable properties held by the company are in the name of the company (where the company is the lessee and the lease arrangements are duly executed in favour of lessee) as on the balance sheet date except the following :
There is one property of the company located in Jammu state, which is held in the state of Sigma Plastic Industries. The Said Firm was the taken over by the company in the earlier years. The title of the said property could not be transferred in company's name due to some pending procedural conditions and formalities.
- b) The Company does not have any "Benami Property", where any proceeding has been initiated pending against the Company for holding any "Benami Property".
- c) The Company has not advanced any loan or advances in the nature of loan to specified persons viz. Promoters, Directors, KMP, and Related Parties which are repayable on demand or where the agreement document not specifies any terms or period of repayment.
- d) The Company has not been declared as a wilful defaulter by any lender who has the power to declare a Company as a wilful defaulter at any time during the financial year or after the end of the reporting period but before the date when the financial statements are approved.
- e) The Company has utilized funds raised from the issue of securities or borrowings from banks & financial institutions for the specific purposes, for which they were issued/taken.
- f) 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 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 guarantees, securities or the like or on behalf of the ultimate beneficiaries
- g) The Company has not received any funds from any person(s) or entity(ies), including foreign entity(ies) (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 guarantees, securities or the like or on behalf of the ultimate beneficiaries
- h) There are no transactions and/or balances outstanding with companies struck off under section 248 of the Companies Act'2013.
- i) The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- j) The Company has not traded or invested in cryptocurrency or virtual currency during the financial year.
- k) The Company does not have any charges or satisfaction of charges which is yet to be registered with the registrar of companies (ROC) beyond the satisfactory period.
- l) The company has borrowings from banks and accordingly company has submitted monthly stock statements with respective Financial Institutions. Details of security of current assets filed by the Company with banks & their difference is as per table annexed below:

Month	Name of the Bank	Particulars of Security Provided	Value as per Bank DP	Value as per Books	Difference	Remarks
April	Punjab National Bank, State Bank of India & Bank of Baorda, under Consortium Finance. PNB is the lead bank and SBI & BOB are member banks in said Consortium. BOB exited during the month of September	Inventories, trade receivables upto 180 days, advance to suppliers upto 90 days, net of trade payables and advances from customers	7,841.43	7,799.50	41.94	No material discrepancies, considering volume & size of DP. The reason for the discrepancy is mainly due to re-grouping of debtors or creditors
May			7,072.67	7,022.12	50.54	
June			7,518.87	7,503.66	15.21	
July			8,150.30	8,103.34	46.95	
August			6,890.98	6,845.04	45.94	
September			8,013.22	8,046.56	(33.34)	
October			8,338.79	8,376.86	(38.08)	
November			9,238.41	9,337.96	(99.54)	
December			8,361.29	8,393.09	(31.81)	
January			6,579.02	6,633.47	(54.45)	
February			6,422.70	6,452.52	(29.82)	
March			5,483.61	5,527.77	(44.16)	

Note: The company has availed drawing power against working capital of the company as per working capital limit sanctioned under consortium finance by Punjab National Bank. Further there is no material discrepancies have been reported while submitting monthly drawing power statement to the lead bank. The company has not availed any excess DP during the year as the sanctioned limit is lower than company's DP eligibility as per stock statement submitted to bank and as per books of accounts for every month or quarter so the above discrepancies is irrelevant.

Notes forming integral part of the Ind AS Financial Statements 1 to 50

As per our Report of even date attached
For KSMC and Associates
Chartered Accountants
FRN : 003565N

CA SACHIN SINGHAL
Membership No. 505732
UDIN: 24505732BKEGJX1873

Prashant Sajwani
Company Secretary

For and on behalf of the Board Of Directors
Vikas Ecotech Limited

Vikas Garg
Managing Director
DIN: 00255413

Rajeev Kumar
Director
DIN: 10271754

Amit Dhuria
Chief Financial Officer

Balwant Kumar Bhushan
Chief Executive Officer

Date : 22 May 2024
Place : Delhi

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIKAS ECOTECH LIMITED

Report on the Audit of the Consolidated financial statements

Opinion

We have audited the accompanying Consolidated financial statements of **Vikas Ecotech Limited** ("hereinafter referred to as "the Holding company") and its subsidiaries/associates (Holding Company and its subsidiaries/associates together referred to as "the Group") which comprise the Balance Sheet as at March 31st, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and Notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the group as at March 31, 2024, the consolidated Profit and total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Other Information

The Holding Company's management and board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

When we read the Holding company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, management and Board of Directors of the companies included in

the group are responsible for assessing each Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are also responsible for overseeing the financial reporting process of each company.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on internal financial controls system with reference to consolidated financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We did not audit the financial statements of Subsidiary named Vikas Organics Private Limited whose financial statement reflects total assets of Rs 3113.31 Lakhs as at March 31, 2024, total revenues of Rs 1216.93 Lakhs and total net profit after tax of Rs. 23.30 Lakhs for the period 15th February 2024 to 31st March 2024 as considered

in these consolidated financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of said entity have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amount and disclosures included in respect of this subsidiary company and our report in terms of sub-section (3) of Section 143 of the Act including report on other information insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of other auditors on separate financial statements and other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph, we report to the extent applicable, that
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the holding company and the report of the statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified as on 31st March 2024 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India.
 - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanation given to us and based upon the reports of other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 41 to the Consolidated Financial Statements.
 - ii. The Holding Company and its Subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Subsidiaries during the year ended on March 31, 2024. However in case of Holding Company there is delay in transfer of amount of Rs. 3,52,605 being unclaimed dividend pertaining to financial year 2015-16 to the Investor Education and Protection Fund by the Company which was required to be transferred during the year but transferred by the company in May 2024
 - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of management's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the holding company and its subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of

the holding company and its subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of management’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the holding company and its subsidiaries from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the holding company and its subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us on the Company and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations made above contain any material mis-statement.
- v. No dividend declared or paid by the holding company and its subsidiaries companies during the year.
 - vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor’s reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Company, its subsidiary companies incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility, however the same has not been operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Company, have not come across any instance of the audit trail feature being tampered with once it has been enabled.

2. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the consideration of reports of other statutory auditors of subsidiary company, the remuneration paid by the Holding Company and its subsidiary companies to its directors during the current year is in accordance with the provisions of section 197 read with Schedule V to the Act.

3. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor’s Report) Order, 2020 (“CARO”/ “the Order”) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements to which reporting under CARO is applicable, as provided to us by the Management of the Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements except the following:

With respect to Holding Company

Clause 3(i)(c)

According to the information provided to us, there is one property located in Jammu State which is held in name of Sigma Plastics Industries. The said firm was taken over by the company in the earlier years however, being leased property, the title of the said property could not be transferred in company’s name due to some pending procedural conditions and formalities.

Clause 3(ii)(b)

The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the monthly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company except for some immaterial variances. For details refer note no. 53 clause “1” of the standalone Financial statements.

Clause 3(vii)

According to the information and explanations given to us and on the basis of our examination, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee’s State Insurance Fund, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Value Added Tax, cess and other material statutory. As on year end following are the unpaid statutory dues which are remaining unpaid since very long time:

Income Tax payable AY 2020-21 Rs. 78,44,695/-outstanding in books of accounts however as per Income Tax Portal there is no demand showing as pending with respect to said assessment year.

During the year the company has written off custom duty liability of Rs. 106.38 which was provided in earlier years against loss of raw material in fire on provisional basis being considered as no more payable in view of final settlement of the insurance claim.

For KSMC & Associates
Chartered Accountants
Firm Registration No. 003565N

CA SACHIN SINGHAL
Partner
Membership No. 505732
UDIN: 24505732BKEGJY3558

Place: New Delhi
Date: 22/05/2024

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Vikas Lifecare Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **VIKAS LIFECARE LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”) as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Internal financial controls over financial reporting with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls Over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls System Over Financial Reporting with reference to consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s Internal Financial Control Over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s Internal Financial Controls Over Financial Reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of Internal Financial Controls Over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls Over Financial Reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matters

With respect to a subsidiaries companies namely Vikas Organics Private Limited included in the consolidated financial

statements, which are companies incorporated in India, have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the internal financial controls with reference to financial statements, in so far as it relates to the internal financial controls with reference to financial statements in respect of said subsidiaries, is based solely on the corresponding report of the auditors' of said Companies incorporated in India.

Our opinion is not modified in respect of the above matters.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the Company, and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KSMC & Associates
Chartered Accountants
Firm Registration No. 003565N
CA SACHIN SINGHAL
Partner
Membership No. 505732
UDIN: 24505732BKEGJY3558

Date: 22/05/2024
Place: New Delhi

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024

(All figures are in ₹ Lakhs, unless otherwise stated)

Particulars	Note no	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,394.26	2,121.65
Capital work in progress	3	30.14	-
Investment Property	3	705.26	741.51
Other intangible assets	3	0.08	-
Goodwill	4	1,350.46	-
Financial assets			
Investments	5	22,800.00	5,500.00
Loans	6	1,539.39	-
Trade receivables	16	431.52	534.39
Others	7	442.08	406.19
Deferred tax assets (net)	8	-	58.71
Other non-current assets	9	228.23	1,992.49
		30,921.41	11,354.94
Current assets			
Inventories	10	4,404.76	3,538.43
Financial assets			
Trade receivables	16	7,673.57	14,102.24
Cash and cash equivalents	11	127.44	10.81
Bank balances other than cash and cash equivalents	12	297.23	389.70
Others	13	109.65	122.98
Current tax assets (net)	14	108.77	30.76
Other current assets	15	714.95	4,709.70
		13,436.36	22,904.62
Total assets		44,357.78	34,259.56
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	13,883.56	9,485.76
Other equity	18	23,758.36	14,308.43
Total equity		37,641.92	23,794.19
Non-current liabilities			
Financial liabilities			
Borrowings	19	23.10	-
Others	20	14.75	-
Provisions	21	39.63	23.40
Deferred tax liability	22	201.98	-
Other non current liability	23	1.57	-
		281.03	23.40
Current liabilities			
Financial liabilities			
Borrowings	24	1,906.31	6,178.07
Trade payables	28		
total outstanding dues of micro & small enterprises		202.80	301.15
total outstanding dues of creditors other than micro & small enterprises		3,448.23	2,401.53
Others	25	267.06	944.45
Provisions	21	4.72	0.56
Other current liabilities	26	260.77	616.21
Current tax liabilities (net)	27	344.94	-
		6,434.83	10,441.97
Total liabilities		6,715.86	10,465.37
Total Equity and Liabilities		44,357.78	34,259.56

Notes forming integral part of the Ind AS Financial Statements 1 to 53

 As per our Report of even date attached
 For KSMC and Associates
 Chartered Accountants
 FRN : 003565N

 CA SACHIN SINGHAL
 Membership No. 505732
 UDIN: 24505732BKEGJY3558

 Prashant Sajwani
 Company Secretary

 For and on behalf of the Board Of Directors
 Vikas Ecotech Limited

 Vikas Garg
 Managing Director
 DIN: 00255413

 Rajeev Kumar
 Director
 DIN: 10271754

 Amit Dhuria
 Chief Financial Officer

 Balwant Kumar Bhushan
 Chief Executive Officer

 Date : 22 May 2024
 Place : Delhi

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(All figures are in ₹ Lakhs, unless otherwise stated)

Particulars	Note no	VEL	VOPL	Eliminations	2023-24	2022-23
Revenue from operations	29	24,659.96	1,216.93	(13.50)	25,863.39	40,266.89
Other income	30	310.53	72.61	-	383.15	317.80
Total Income		24,970.49	1,289.54	(13.50)	26,246.53	40,584.69
Cost of materials consumed	31	8,796.49	721.54	-	9,518.04	14,067.98
Purchases of stock-in-trade	32	11,925.46	606.97	(13.50)	12,518.92	22,482.17
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	33	676.52	(206.76)	-	469.76	(155.13)
Employee benefits expense	34	338.39	14.44	-	352.84	254.76
Finance costs	35	658.24	0.23	-	658.47	1,036.76
Depreciation and amortization expenses	36	375.23	2.43	-	377.66	396.19
Other expenses	37	1,289.79	118.84	-	1,408.64	1,453.00
Total expense		24,060.14	1,257.69	(13.50)	25,304.32	39,535.73
Profit/(loss) before exceptional items and tax		910.36	31.85	-	942.22	1,048.96
Exceptional items		-	-	-	-	-
Profit/(loss) before and tax		910.36	31.85	-	942.22	1,048.96
Tax expense:						
Current tax		255.26	13.50	-	268.76	58.94
Tax for earlier years		24.99	0.01	-	25.00	37.08
Deferred tax		(31.25)	(4.95)	-	(36.20)	0.23
Income tax expense		249.00	8.56	-	257.56	96.25
Profit/(loss) for the year from continuing operations		661.35	23.29	-	684.65	952.72
Profit/(loss) from discontinued operations		-	-	-	-	-
Tax expenses of discontinued operations		-	-	-	-	-
Profit/(loss) from discontinued operations (after tax)		-	-	-	-	-
Profit/(loss) for the year		661.35	23.29	-	684.65	952.72
Other comprehensive income						
a) (i) Items that will not be reclassified to profit or loss						
Re-measurement gains (losses)				-	(6.04)	5.56
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	1.67	-	1.67	(1.40)
b) (i) Items that will be reclassified to profit or loss		-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-	-
Total other comprehensive income		(0.28)	(4.09)	-	(4.37)	4.16
Total comprehensive income		661.07	19.20	-	680.28	956.87
Earnings per equity share						
Basic	38				0.06	0.10
Diluted	38				0.06	0.10

Notes forming integral part of the Ind AS Financial Statements 1 to 53

 As per our Report of even date attached
 For KSMC and Associates
 Chartered Accountants
 FRN : 003565N

 CA SACHIN SINGHAL
 Membership No. 505732
 UDIN: 24505732BKEGJY3558

 Prashant Sajwani
 Company Secretary

 For and on behalf of the Board Of Directors
 Vikas Ecotech Limited

 Vikas Garg
 Managing Director
 DIN: 00255413

 Rajeev Kumar
 Director
 DIN: 10271754

 Amit Dhuria
 Chief Financial Officer

 Balwant Kumar Bhushan
 Chief Executive Officer

 Date : 22 May 2024
 Place : Delhi

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

(All figures are in ₹ Lakhs, unless otherwise stated)

Particulars	2023-24	2022-23
Cash flow from operating activities		
Net profit before taxation and extraordinary items	942.21	1,048.96
Adjustments for:		
Depreciation and amortization expenses	377.66	396.19
Interest income	(59.77)	(26.55)
Other comprehensive income	(5.97)	4.16
Interest expense	658.47	1,036.76
Profit/Loss on sale of booking rights	(35.35)	-
Profit/Loss on sale of Fixed Assets	(0.28)	(17.99)
Rental income	(87.15)	(92.47)
Operating profit before working capital changes	1,789.82	2,349.06
Changes in working capital		
(Increase)/ decrease in inventories	(365.75)	4,678.45
(Increase)/ decrease in trade receivables	7,610.80	(1,148.93)
(Increase)/ decrease in other financial assets	144.44	(176.68)
(Increase)/ decrease in other assets	3,972.58	1,611.30
(Decrease)/ increase in trade payables	(13.40)	1,169.93
(Decrease)/ increase in other financial liabilities	(692.57)	196.87
(Decrease)/ increase in provisions	(56.85)	(0.80)
(Decrease)/ increase in other current liabilities	(354.33)	542.50
Cash generated from operations	12,034.74	9,221.70
Income taxes paid	(26.88)	(65.27)
Cash flow before extraordinary items	12,007.86	9,156.43
Extraordinary or exceptional items	-	-
Net cash flow from operating activities	12,007.86	9,156.43
Cash flows from investing activities		
Purchase of fixed assets	(466.84)	(500.73)
Proceeds from sale of equipment	1.88	69.38
Investments (made)/withdrawn	(20,274.00)	(5,500.00)
Proceeds from transfer of booking rights	1,830.00	-
Loan given	(1,539.39)	-
Rental income	87.15	92.47
Interest received	59.77	26.55
Net cash from investing activities	(20,301.43)	(5,812.32)
Cash flows from financing activities		
Proceeds from Right Issue including share premium, share forfeiture money	-	181.41
Proceeds from issuance of share capital	13,397.68	(107.53)
Expenses in issuance of share capital	(230.23)	-
Proceeds/(Repayment) of borrowings	(4,248.65)	(3,116.61)
Interest paid	(658.47)	(1,036.76)
Net cash used in financing activities	8,260.33	(4,079.48)
Net increase in cash and cash equivalents	(33.24)	(735.37)
Cash and cash equivalents at the beginning of the year	400.51	1,135.89
On account of consolidation	57.39	-
Cash and cash equivalents at year end	424.67	400.51
Notes to the cash flow statement		
Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money-market instruments. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts.		
Particulars	2023-24	2022-23
Cash on hand and balances with banks	127.44	10.81
Other bank balances	9.96	19.13
Short-term investments	287.27	370.57
Cash and cash equivalents	424.67	400.51

Notes forming integral part of the Ind AS Financial Statements 1 to 53

As per our Report of even date attached
For KSMC and Associates
Chartered Accountants
FRN : 003565N

CA SACHIN SINGHAL
Membership No. 505732
UDIN: 24505732BKEGJY3558

Prashant Sajwani
Company Secretary

For and on behalf of the Board Of Directors
Vikas Ecotech Limited

Vikas Garg
Managing Director
DIN: 00255413

Rajeev Kumar
Director
DIN: 10271754

Amit Dhuria
Chief Financial Officer

Balwant Kumar Bhushan
Chief Executive Officer

Date : 22 May 2024
Place : Delhi

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2024

(All figures are in ₹ Lakhs, unless otherwise stated)

(A) Equity Share Capital

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	9,485.76	9,393.37
Change in equity during the year	4,397.80	92.39
Closing balance	13,883.56	9,485.76

**(B) Other Equity
As at 31 March 2024**

Particulars	Reserves & surplus						Total
	Share premium	General Reserve	Retained Earnings	Capital Reserve	Share Application Money Pending for Allotment	Other Comprehensive income	
Balance at the beginning of the current reporting period	4,284.67	1,471.20	8,515.33	9.66	(0.00)	27.56	14,308.43
Profit for the year	-	-	684.65	-	-	-	684.65
Additions/Deletions during the year	8,999.88	-	-	-	-	-	8,999.88
Other comprehensive income	-	-	-	-	-	(4.37)	(4.37)
Total comprehensive income	13,284.55	1,471.20	9,199.99	9.66	(0.00)	23.19	23,988.60
Premium on shares issued during the year	(230.23)	-	-	-	-	-	(230.23)
Balance at the end of the current reporting period	13,054.32	1,471.20	9,199.99	9.66	(0.00)	23.19	23,758.37

As at 31 March 2023

Particulars	Reserves & surplus						Total
	Share premium	General Reserve	Retained Earnings	Capital Reserve	Share Application Money Pending for Allotment	Other Comprehensive income	
Balance at the beginning of the previous reporting period	4,195.65	1,471.20	7,562.62	9.66	107.53	23.40	13,370.06
Profit for the year	-	-	952.72	-	-	-	952.72
Additions/Deletions during the year	33.59	-	-	-	(107.53)	-	(73.94)
Other comprehensive income	-	-	-	-	-	4.16	4.16
	4,229.23	1,471.20	8,515.33	9.66	(0.00)	27.56	14,252.99
Premium on shares issued during the year	55.44	-	-	-	-	-	55.44
Balance at the end of the previous reporting period	4,284.67	1,471.20	8,515.33	9.66	(0.00)	27.56	14,308.43

Notes forming integral part of the Ind AS Financial Statements 1 to 53

As per our Report of even date attached
For KSMC and Associates
Chartered Accountants
FRN : 003565N

CA SACHIN SINGHAL
Membership No. 505732
UDIN: 24505732BKEGJY3558

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For and on behalf of the Board Of Directors
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Amit Dhuria
Chief Financial Officer

Balwant Kumar Bhushan
Chief Executive Officer

Date : 22 May 2024
Place : Delhi

NOTES FORMING PART OF FINANCIAL STATEMENT

1. Corporate information

Vikas Ecotech Limited ('the holding company') is a Delhi based professionally managed company incorporated on 30 November, 1984 under the Companies Act, 1956, having its registered office at Vikas Apartments, 34/1, East Punjabi Bagh, New Delhi – 110026 and is listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE).

The company is an emerging player in the global arena engaged in the business of high-end specialty chemicals. It is an integrated, multi-specialty product solutions company, producing a wide variety of superior quality, eco-friendly additives and rubber-plastic compounds. Its additives and rubber-plastic compounds are process-critical and value-enabling ingredients used to manufacture a varied cross-section of high-performance, environment-friendly and safety-critical products. From agriculture to automotive, cables to electrical, hygiene to healthcare, polymers to packaging, textiles to footwear, the company's products serve a diverse range of global industry needs. The company has its manufacturing plants in the state of Rajasthan. The company has manufacturing unit of MS sockets & pipe fittings in Ghaziabad. The said space/premises has been taken on lease. Further, the company has operations/trading in infra and energy segment from Delhi and currently dealing in TMT Bars, Steel, HR Coils, CR Coils, ERW pipes & Coal to cater need of infrastructure & different industries/segment.

During the year, the company has expand its real estate division at a bigger scale. Adding to the real estate business, company has collaborated with other real estate groups and entered into several joint development agreements.

The holding company has one wholly owned subsidiary namely Vikas Organics Private Limited (VOPL). Vikas Organics Private Limited is a private limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. VOPL is a well established company pioneer in manufacturing of Plasticizers and a well known name in the Indian Industrial Houses. The company is engaged in manufacture and supply of Plasticizers and Chemicals. The customer base of the company includes various users in the line of manufacturing of Leather Cloth, Vinyl Floorings, PVC and Rubber Footwear, Raincoat, Cable, Moulding and Extrusion Compounds, PVC Films / Sheets, Flexible Pipes, Packaging, Paints, Rubber Products, Perfumes, Incense Sticks, Safety Glass, Paper Coatings, Adhesives, Explosives, Pharmaceuticals, Cosmetics, Toiletries, Leather Finishing Chemicals, Rubber Belts & Tubes, Automobile Parts and Pesticides. The company has well equipped quality control, application, research & development wings along with all necessary facilities to manufacture quality products and to maintain their quality to highest standards. Continuous research and development is the thrust area to further explore and improve the quality to meet the primary objective of providing best plasticizers to the users. The Holding Company together with its subsidiaries is hereinafter referred to as "the Group".

2. Basis of preparation

Basis of compliance

The Consolidated Financial Statements which comprises the Balance Sheet as at 31st March'2024, Statement of Profit & Loss, Statement of Cash Flow & Statement of Changes in Equity for the year ending 31st March'2024 and a summary of the Significant Accounting Policies & Other Explanatory Information (together herein after as 'Consolidated Financial Statements'), have been prepared in accordance with Indian Accounting Standards notified under section 133 of the Companies Act'2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, the provisions of the Companies Act'2013 (the Act) to the extent notified, guidelines issued by SEBI & other accounting principles generally accepted in India. The Consolidated Financial Statements have been approved by the Board of Directors in its meeting held on 22nd May'2024.

Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis, except financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Presentation requirements of Division II of Schedule III of The Companies Act,2013 as amended as applicable to Consolidated Financial Statements have been followed. The Consolidated Financial Statements are presented in Indian Rupees(INR) in Lakhs rounded of to 2 decimal place as permitted by schedule III to the Companies Act,2013

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

The consolidated financial statements comprise the financial statements of the Holding Company and its Subsidiary as at 31 March 2024. Control is achieved when the company is exposed, or has right, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the company controls an investee if and only if the company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns. The company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Assets, Liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the company gains control until the date the company ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statement in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Basis of measurement:

The financial statements have been prepared on accrual and going concern basis and historical cost convention, except for certain financial assets and liabilities which have been measured at fair value or amortised cost, as required under relevant Ind AS.

Significant accounting judgements, estimates and assumptions:

The preparation of the group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, 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.

Judgments

Information about significant areas of estimation/ uncertainty and judgements in applying the group's accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Reference	Significant judgement and estimates
Note 3(b)	Measurement of useful life and residual values of property, plant and equipment
Note 3©	Impairment test of non-financial assets: key assumptions underlying recoverable amounts
Note 3(l) and 40	Measurement of defined benefit obligations: key actuarial assumptions
Note 41	Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
Note 3(o) and 43	Fair value measurement of financial assets and liabilities
Note 3(i)	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

3. Summary of significant accounting policies

a) Current versus Non-current classification

The group presents assets and liabilities in the balance sheet based on current/ Non-current classification.

Assets

An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liability

A liability is current when:

- It is expected to be settled in normal operating cycle
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- Current liabilities include the current portion of non-current financial liabilities. The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle basis the nature of business.

b) Property, plant and equipment

Property, plant and equipment including capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

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

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation methods, estimated useful lives and residual values

Assets are depreciated to the residual values on a written down value method over the estimated useful lives of the assets, derived as per the Divison -II of Schedule III of the Companies Act, 2013, which are as follows:-

	Useful lives
Office building	60 years
Leasehold Improvement (Office)	60 years
Leasehold Improvement (Factory Building)	30 years
Plant and machinery	10 - 15 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles – Motor cycles and scooters	10 years
Vehicles – Motor cars	8 years
Computers	3 years
Leasehold land	Period of lease or useful life, whichever is less
Intangible assets	3 years

In case of intangible assets, amortisation has been done considering useful life derived on the basis of management judgement and estimate.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for impairment, and adjusted prospectively, as appropriate.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss within other gains/ (losses). Depreciation is calculated on a pro-rata basis for assets purchased/ sold during the year.

c) Impairment of non-financial assets

The group assesses, at each reporting date, whether there is an indication that a non-financial asset maybe impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses, if any, are recognized in Statement of Profit and Loss.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

d) Leases – group as a lessee

The determination of whether an arrangement is(or contains) a lease is based on the substance of an arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the group's policy on the borrowing costs.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term and escalation in the contract, which are structured to compensate expected general inflationary increase are not straight-lined. Contingent rents are recognized as expense in the period in Statement of Profit and Loss in which they are incurred.

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

f) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are initially recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Classification and subsequent measurement

For the purpose of subsequent measurement, the group classifies financial assets in following categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity investments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost

The category applies to the group's trade receivables, unbilled revenue, other bank balances, security deposits, etc.

A financial asset being a 'debt instrument' is measured at amortised cost if both the following conditions are met:

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

This category is most relevant to the group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial assets at FVTOCI

A financial asset being a 'debt instrument' is measured at FVTOCI if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss.

Financial assets at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or at FVTOCI, is classified at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. There are no such investments in the group.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the group's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- **The group has transferred its contractual rights to receive cash flows from the financial 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 (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group 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 group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and are initially measured at fair value with subsequent measurement at amortised cost e.g. Trade receivables, unbilled revenue etc.

The group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the 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 a twelve month ECL.

ECL is the difference between all contractual cash flows that are due to the group 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.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The group's financial liabilities include trade and other payables, security deposits, etc.

Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit or Loss.

Financial liabilities at amortised cost

This category includes security deposit received, trade payables etc. After initial recognition, such liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been passed to the customer. Sales are net off sales returns, free quantities delivered and trade discounts.

Export Incentives

The group recognises Export incentives such as MEIS License as per accounting principal i.e. on accrual basis.

Commission

When the group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission earned by the group. Further, group also provides services related to Export Facilitation and the same has been recognised as sale of services under Revenue from Operations.

Rental income

Rental income from investment property is recognised as part of revenue from operations in profit or loss on a straight line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from sub-leasing is also recognised in a similar manner and included under other income.

Interest income

Interest income on financial assets (including deposits with banks) is recognised as it accrues in Statement of Profit and Loss, using the effective interest rate (EIR) method (i.e. time proportionate basis) which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Government grants

An unconditional government grant related to a biological asset that is measured at fair value less cost to sell is recognised in profit or loss as other income when the grant becomes receivable. Other government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the group will comply with the conditions associated with the grant, they are recognised in profit or loss as other operating revenue on a systematic basis. Grants that compensate the group for expenses incurred are recognised in profit or loss as other operating revenue on systematic basis in which such expenses are recognised.

Other operating income

Other operating income is recognised on accrual basis (i.e. time proportionate basis) in the accounting period in which services are rendered and in accordance with the terms of the agreement.

h) Inventories

Inventories are valued at the lower of cost or net realisable value. The cost of inventories is based on the first-in-first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Cost incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: Purchase cost on first-in-first out basis
- Finished goods and work in progress: Cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs
- Inventory related to real estate division: Valued at cost incurred
- Inventory related to stock-in-trade: Purchase cost on first-in-first out basis Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials, components and other supplies held for use in production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Obsolete, slow moving, defective inventories, shortage/ excess are identified at the time of physical verification of inventories and wherever necessary provision/ adjustment is made for such inventories.

i) Income taxes

Income tax expenses comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, 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.

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 reassessed 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 at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in the Balance sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

j) Dividend payments

Final dividend is recognized, when it is approved by the shareholders and the distribution is no longer at the discretion of the group. However, interim dividends are recorded as a liability on the date of declaration by the group's Board of Directors.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l) Retirement and other employee benefits

Short term employee benefits are measured on undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

The group post-employment benefits include defined benefit plan and defined contribution plans.

Contribution payable by the group to the central government authorities in respect of provident fund, pension fund and employee state insurance are defined plans. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. The group contributions to defined contribution plans are recognized in Statement of Profit & Loss when the related services are rendered. The group has no further obligations under these plans beyond its periodic contributions.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under the defined benefit retirement plan, the group provides retirement obligation in the form of Gratuity. Under the plan, a lump sum payment is made to eligible employees at retirement or termination of employment based on respective employee salary and years of experience with the group.

The cost of providing benefits under this plan is determined on the basis of actuarial valuation carried out as at the reporting date by an independent qualified actuary using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the Statement of Profit and Loss. The obligation towards the said benefit is recognised in the balance sheet as the difference between the fair value of the plan assets and the present value of the plan liabilities. Scheme liabilities are calculated using the projected unit credit method and applying the principal actuarial assumptions as at the date of Balance Sheet. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Gratuity is covered under the Gratuity policy respectively, of Life Insurance Corporation of India (LIC).

All expenses excluding re-measurements of the net defined benefit liability (asset), in respect of defined benefit plans are recognized in the profit or loss as incurred. Re-measurements, comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)), are recognized immediately in the Balance Sheet with a corresponding debit or credit through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

m) Provisions

i) General

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time (i.e. unwinding of discount) is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

ii) Contingent assets/ liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

n) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity shareholders of the group by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the group by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares (such as preferential shares, ESOP, share warrants, share application money, etc.) into equity shares.

o) Fair value measurement

The group measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- I. Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities.

- II. Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- III. Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant notes.

p) Foreign currency

Functional and presentation currency

The group's financial statements are presented in Indian Rupees (INR), which is also the group's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information is presented in INR, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the group at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of Profit or Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign exchange gains/ (losses) arising on translation of foreign currency monetary loans are presented in the Statement of Profit and Loss on net basis.

q) Corporate social responsibility expenditure

Pursuant to the requirements of section 135 of the Act and rules thereon and guidance notion "Accounting for expenditure on Corporate Social Responsibility activities" issued by ICAI, with effect from 1 April 2015, CSR expenditure is recognised as an expense in the Statement of Profit and Loss in the period in which it is incurred.

4. Segment Reporting

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products. In accordance with Ind AS 108, Operating Segments, the group has identified and disclosed the following segment information in the financial statements.

- 1. Infra & Energy
- 2. Chemical, Polymers & Special Additives
- 3. Real Estate

► 4 Goodwill

Particulars	As at 31 March 2024	As at 31 March 2023
Goodwill	1,350.46	-
Total	1,350.46	-
The company has acquired 7.05 Lakhs equity shares which is 100% share capital of Vikas Organics Private Limited (VOPL) accounted at amortized cost in accordance with Ind AS-28. Accordingly, the Company is reported as wholly owned subsidiary of Vikas Ecotech Limited (VEL) and goodwill is recognised on the same.		
At the beginning of the year	-	-
Additions	1,350.46	-
Impairment/Disposal	-	-
At the end of the year	1,350.46	-

► 5 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
Investments at amortized cost		
Investments in equity instruments		
Others*	2,850.00	-
Other investments		
Investments in real estate projects**	19,950.00	5,500.00
Total	22,800.00	5,500.00

* The company has purchased 26,88,679 equity shares of M/s Roseland Buildtech Private Limited (RBPL) equivalent to 15.93% from Hallow Securities Private Limited (HSPL) at purchase consideration of ₹ 2,850 Lakhs. The necessary financial commitments have been fulfilled, and all requisite documentation for the purchase has been completed. However, the formalities for the transfer of shares are still pending.

- a) The company has collaborated in the development of real estate project in Gurugram, Haryana on profit sharing model with the Arm Estate Projects (P) Limited (AEPL). The project shall be funded in the ratio of 70:30, with our company contributing 70% of the total investment. The funds infused by us (till year end ₹ 2,150 Lakhs) will be used by the AEPL towards making payments to Huda against the cost of the plot and construction. The profit sharing ratio is 30:70, our company share is 30%.
- b) The company has collaborated in the development of real estate project in Sonipat, Haryana on profit sharing model with the BG Technocrafts Private Limited (BGTL) in the ratio of 70:30, with our company contributing 70% of the total investment. Total project cost is ₹ 1,80,000 Lakhs. The funds infused by us till year end ₹ 8,500 Lakhs. The profit sharing ratio is 30:70, our company share is 30%.
- c) The company has collaborated in the development of real estate project in Faridabad, Haryana on profit sharing model with the Innovative Supply Chains Solutions LLP (LLP) in the ratio of 70:30, with our company contributing 70% of the total investment. The funds infused by us (till year end ₹ 800 Lakhs) will be used by the LLP towards making payments to Huda against the cost of the plot and construction. The profit sharing ratio is 30:70, our company share is 30%.
- d) The company has entered into a collaboration agreement with Rudraveerya Developers Limited (RDL) for a significant real estate project in Delhi, NCR. The project will be funded with an investment ratio of 70:30, with our company contributing 70% of the total investment and our collaborating partner contributing the remaining 30%. Upon the successful completion of the project, profits will be shared equally between both parties, with a 50:50 profit-sharing ratio. The estimated time for the completion of the project is five years, and the total estimated cost of the project is ₹ 13,000 Lakhs.
- e) The company has collaborated in the development of real estate project in Gurugram, Haryana on profit sharing model with the Nice Apartment Constructors (P) Limited (NACL) in the ratio of 70:30, with our company contributing 70% of the total investment. The funds infused by us (till year end ₹ 7,000 Lakhs) will be used by the NACL towards making payments to Huda against the cost of the plot and construction. The profit sharing ratio is 30:70, our company share is 30%.

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	22,800.00	5,500.00
Aggregate amount of impairment in value of investments	-	-

► 6 **Non current loans**

Particulars	As at 31 March 2024	As at 31 March 2023
Loans Receivables considered good – Unsecured		
Other loans		
Loans given to parties other than related parties (including interest accrued)	1,539.39	-
Total	1,539.39	-

The company has provided loan to Shamli Steels Private Limited (SSPL) during the year for working capital requirements at an interest rate of 15% for the tenure of 3 years.

► 7 **Other non current financial assets**

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits*	62.05	47.44
Others		
Amount paid under protest**	372.46	336.23
Other receivables	7.58	22.52
Total	442.08	406.19

* The Amount of security deposits includes a sum of Rs 7.22 Lakh on account of electricity , Rs 2.55 on account of office and Rs 0.97 as others

** The amount paid under protest deposits with Custom department amounting ₹ 4.89 Lakhs, with GST department ₹ 336.22 Lakhs, with VAT authority amounting ₹ 4.64 Lakhs and others amounting ₹ 26.71 Lakhs.

► 8 **Deferred tax assets (net)**

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets	-	58.71
Total	-	58.71

Reconciliation of deferred tax

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	-	58.94
Tax credit during the year recognised in Statement of profit and loss	-	0.23
Tax credit during the year recognised in Statement of OCI	-	-
Closing balance	-	58.71

Items constituting deferred tax asset/(liability)

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	-	48.64
Provision for gratuity, bonus & leave encashment	-	5.31
Provision for doubtful recovery	-	4.76
Closing balance	-	58.71

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by same taxation authority. Refer note no. 22.

► 9 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances	32.00	1,794.65
Others		
Fair value of plan assets	6.85	6.37
MEIS License	24.52	24.55
Other license and permissions	6.02	1.89
Advance to suppliers	158.84	165.02
Total	228.23	1,992.49

- a) Capital advances (previous year) was given against property namely unit number 2301 and 2304 in the project named The Amaryllis Central Delhi to Basant Projects Limited. During the year the same property has been sold for ₹ 1,830 Lakhs to Just Right Life Limited.
- b) VOPL has given capital advance amounting ₹ 32 Lakhs to Galaxy Automobiles Private Limited for vehicle. The vehicle has been registered in the FY 2024-25.

► 10 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	3,533.89	2,530.20
Semi finished goods	23.46	-
Finished goods	706.38	959.80
Packing Material	50.91	13.96
Stock in trade	66.65	-
Real estate Inventory	23.48	34.48
Total	4,404.76	3,538.43

Inventory is valued at lower of cost or NRV

(Valued and certified by the Company's Management, Independent Cost Accountant and Relied upon by Auditors) The Company is in the business of High End additives and rubber-plastic compounds and accordingly deals in numerous items such as Tin Alloy / Ingots, 2Ethylhexyl Thioglycolate, Tinmate, Hydrogen Peroxide, PVC Resin, Styrene Butadiene Copolymer, Styrene Butadiene Styrene, Methyl Chloride (Gas) etc. Further, the company is also in trading of TMT Bars, Steel, HR Coils, CR Colis, ERW pipes & Coal. Keeping in view the nature of industry and vast number of items, it is not practical for the Company to give item wise break up of different type of products.

► 11 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	16.32	1.13
Balances with banks	111.11	9.68
Total	127.44	10.81

► 12 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Bank deposits with original maturity of more than three months but less than 12 months		
balances with banks held as margin money	287.27	379.75
Others		
Unpaid dividend account	9.96	9.96
Total	297.23	389.70

► 13 Other current financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Interest receivable	0.75	0.56
Other taxes recoverable	-	72.45
Balances with government authorities*	59.45	-
Security deposits	49.44	49.97
Total	109.65	122.98

*Balances with government authorities includes cash of Rs 10 Lakh seized by Alwar police in Section 144 of Criminal Procedure Code 1973 for code of conduct applicable in state of Rajasthan due to elections. The said cash has been released in April 2024.

► 14 **Current tax assets (net)**

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for income tax of current year	-	(60.34)
Provision for income tax of previous years	-	(72.45)
Other taxes recoverable	108.77	163.55
Total	108.77	30.76

► 15 **Other current assets**

Particulars	As at 31 March 2024	As at 31 March 2023
Advance to suppliers	387.74	4,302.78
Advance to employees	28.88	19.93
Advance with commissioner of customs	4.96	-
Prepaid expenses	24.23	13.02
Others* current assets	269.14	373.96
Total	714.95	4,709.70

* Amount consist of Goods in transit.

► 16 **Trade Receivables**

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Considered good	64.45	534.39
Significant increase in credit risk	367.07	-
Credit impaired	-	-
Total	431.52	534.39
Current		
Considered good	7,673.57	14,102.24
Significant increase in credit risk	-	-
Credit impaired	-	-
Total	7,673.57	14,102.24
Grand total	8,105.09	14,636.63

Ageing schedule for the year ended 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	<6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	> 3 Year	
Non-current						
(i) Undisputed trade receivables						
a) considered good	-	-	-	64.45	-	64.45
b) significant increase in credit risk	-	-	-	-	220.86	220.86
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses					(58.22)	(58.22)
(i) Disputed trade receivables						
a) considered good	-	-	-	-	-	-
b) significant increase in credit risk	-	-	-	-	301.98	301.98
c) credit impaired	-	-	-	-	-	-

Less: Provision for expected losses	-	-	-	-	(97.55)	(97.55)
Total	-	-	-	64.45	367.07	431.52
Current						
(i) Undisputed trade receivables						
a) considered good	7,361.54	196.74	88.24	24.15	2.90	7,673.57
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
(i) Disputed trade receivables						
a) considered good	-	-	-	-	-	-
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
Total	7,361.54	196.74	88.24	24.15	2.90	7,673.57
Grand total	7,361.54	196.74	88.24	88.60	369.97	8,105.09

Ageing schedule for the year ended 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	<6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	> 3 Year	
Non-current						
(i) Undisputed trade receivables						
a) considered good	-	-	-	135.74	74.77	210.50
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
(i) Disputed trade receivables						
a) considered good	-	-	-	2.71	321.18	323.88
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
Total	-	-	-	138.45	395.94	534.39
Current						
(i) Undisputed trade receivables						
a) considered good	13,823.72	227.64	50.88	-	-	14,102.24
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
(i) Disputed trade receivables						
a) considered good	-	-	-	-	-	-
b) significant increase in credit risk	-	-	-	-	-	-
c) credit impaired	-	-	-	-	-	-
Less: Provision for expected losses	-	-	-	-	-	-
Total	13,823.72	227.64	50.88	-	-	14,102.24
Grand total	13,823.72	227.64	50.88	138.45	395.94	14,636.63

Amount receivable from related parties is disclosed under note no 45

► 17 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorized share capital		
2,00,00,00,000 equity shares of ₹1/- each (1,50,00,00,000 equity shares in previous year)	20,000.00	15,000.00
Issued, subscribed and fully paid-up shares		
1,38,83,56,024 equity shares of ₹1/- each (94,85,76,024 equity shares in previous year)	13,883.56	9,485.76
Total	13,883.56	9,485.76

Reconciliation of number of equity share outstanding as at the beginning and at the end of year

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	94,85,76,024	9,486	93,93,36,847.00	9,393.37
Add: Shares issued during the year	43,97,80,000	4,398	92,39,177.00	92.39
Shares outstanding at the end of the year	1,38,83,56,024.00	13,883.56	94,85,76,024.00	9,485.76

The company has raised funds of ₹ 13,398 Lakh through issuance of fresh shares through Further Public Offer (FPO) which includes Qualified Institutional Placements (QIP) in 2 tranches. In first tranche we have issued 17,85,00,000 shares having paid up value Rs. 1/- & Share Premium of ₹ 1.80 per share, total issue size is ₹ 4998 Lakh & in second tranche, company has issued 16,12,80,000 shares having paid value ₹ 1/- & Security Premium of ₹ 2.10, total issue size is ₹ 4,999.68 Lakh. Further, Company has issued 10,00,00,000 shares on preferential basis to the promoters i.e. Mr. Vikas Garg at share price of ₹ 3.40 per share having paid up value ₹ 1/- & Security Premium of ₹ 2.40 per share, total preferential issue size is of ₹ 3400 Lakh.

Utilization of proceeds

The company has deployed these funds as per the objects of the proceeds. Proceeds from subscription to the Issue of Equity shares under QIP and preferential issue of 2023-24, made during the year ended 31 March 2024 have been utilised in the following manner:

Objects of preferential issue	Amounts	Objects fulfilled*	Balance
i) Working capital requirements, including repayment or prepayment thereof, meeting various expenditure of the company including contingencies			
ii) a) Capital expenditure, including towards development, refurbishment and renovation of our assets			
b) Any other cost incurred towards the objects of the company	3,400.00	3,400.00	-
c) Financing of business opportunities, strategic initiatives			
iii) General corporate purpose			
iv) Issue expenses			
Total	3,400.00	3,400.00	-

Objects of QIP	Amounts	Objects fulfilled*	Balance
i) Working capital requirements, including repayment or prepayment thereof, meeting various expenditure of the company including contingencies	5,825.00		
ii) a) Capital expenditure, including towards development, refurbishment and renovation of our assets			
b) Any other cost incurred towards the objects of the company	1,850.00	10,000.00	-
c) Financing of business opportunities, strategic initiatives			
iii) General corporate purpose	2,250.00		
iv) Issue expenses	75.00		
Total	10,000.00	10,000.00	-

*The company has described detailed utilisation of proceeds of QIP in its public placement documents (PPD) filed with the securities and exchange board of India (SEBI) and utilization of proceeds of preferential issue filed with stock exchanges. As per the objects, the company intends to use the Net Proceeds to finance (in whole or part) one or more, or any combination of the following: (a) working capital requirements, including repayment or prepayment thereof, meeting various expenditure of the Company including contingencies; (b) capital expenditure, including towards development, refurbishment and renovation of our assets; (c) any other cost incurred towards the objects of the Company; (d) financing of business opportunities, strategic initiatives; or (e) general corporate purpose. The Net Proceeds are proposed to be deployed towards the purpose set out above and not proposed to be utilized towards any specific project. The company has utilised the funds collectively in accordance with object of the issue in whole or part in one or more or any combination of the object of the issues.

Terms / rights to Equity Shares

The Company has only one class of shares referred as equity shares having a par value of 1/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Rights, Preferences and Restrictions

The Authorised Share Capital of the Company consists of Equity Shares having nominal value of ₹ 1/- each. The rights and privileges to equity shareholders are general in nature and allowed under Companies Act, 2013. The equity shareholders shall have:

- (1) a right to vote in shareholders' meeting. On a show of hands, every member present in person shall have one vote and on a poll, the voting rights shall be in proportion to his share of the paid up capital of the Company
 - (2) a right to receive dividend in proportion to the amount of capital paid up on the shares held
- The shareholders are not entitled to exercise any voting right either in person or through proxy at any meeting of the Company if calls or other sums payable have not been paid on due date. In the event of winding up of the Company, the distribution of available assets/losses to the equity shareholders shall be in proportion to the paid up capital.

The details of shareholders holding more than 5% shares as at 31 March 2024 and 31 March 2023 are set out below:

Class of Shares / Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% held	No. of shares	% held
Vikas Garg	17,86,43,933	12.87%	7,86,43,933	8.29%

Details of shares held by promoters :

Class of Shares / Name of the Shareholder	Category	As at 31 March 2024			As at 31 March 2023		
		No. of shares	% held	% of change	No. of shares	% held	% of change
Vikas Garg	Promoter	17,86,43,933	12.87%	4.58%	7,86,43,933	8.29%	-
Vikas Garg Huf	Promoter Group	5,02,750	0.04%	-0.02%	5,02,750	0.05%	-
Nand Kishore Garg	Promoter Group	92,775	0.01%	0.00%	32,775	0.00%	-
Seema Garg	Promoter Group	2,175	0.00%	0.00%	2,175	0.00%	-
Vivek Garg	Promoter Group	21,550	0.00%	0.00%	21,550	0.00%	-
Ishwar Gupta	Promoter Group	42,800	0.00%	0.00%	42,800	0.00%	-
Nand Kishore Garg Huf	Promoter Group	37,750	0.00%	0.00%	37,750	0.00%	-
Jai Kumar Garg Huf	Promoter Group	18,500	0.00%	0.00%	18,500	0.00%	-
Asha Garg	Promoter Group	8,025	0.00%	0.00%	8,025	0.00%	-
Usha Garg	Promoter Group	5,33,000	0.04%	-0.02%	5,33,000	0.06%	-
Jai Kumar Garg	Promoter Group	19,750	0.00%	0.00%	19,750	0.00%	-
Vaibhav Garg	Promoter Group	5,000	0.00%	0.00%	5,000	0.00%	-
Sukriti Garg	Promoter Group	44,48,325	0.32%	0.32%	48,325	0.01%	-
Sukriti Welfare Trust	Promoter Group	56,550	0.00%	-0.47%	44,56,550	0.47%	-
Vikas Lifecare Limited	Promoter Group	40,14,783	0.29%	-0.14%	40,74,783	0.43%	-
Vrindaa Advanced Materials Limited	Promoter Group	23,515	0.00%	0.00%	23,515	0.00%	-

Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Company has not issued any share for consideration other than cash during the period of five year immediately preceding 31 March 2024

► 18 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium reserve	13,054.32	4,284.67
General reserve	1,471.20	1,471.20
Retained earnings	9,199.99	8,515.33
Other reserves	9.66	9.66
Share application money pending for allotment	(0.00)	(0.00)
Other comprehensive income	23.19	27.56
Total	23,758.45	14,308.43

Securities premium reserve

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	4,284.67	4,195.65
Additions during the year on account of shares forfeiture	-	33.59
Additions during the year on account of issue of equity shares	8,999.88	55.46
Reduction on account of repayable of Application money	(230.23)	(0.02)
Closing balance	13,054.32	4,284.67

General reserve

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	1,471.20	1,471.20
Additions during the year	-	-
Deletions/ Transfer during the year	-	-
Closing balance	1,471.20	1,471.20

Retained earnings

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	8,515.33	7,562.62
Additions during the year	684.65	952.72
Deletions/ Transfer during the year	-	-
Closing balance	9,199.99	8,515.33

Other reserves

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	9.66	9.66
Additions during the year	-	-
Deletions/ Transfer during the year	-	-
Closing balance	9.66	9.66

Share application money pending for allotment

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	(0.00)	107.53
Additions during the year	-	14.12
Deletions/ Transfer during the year	-	(121.65)
Closing balance	(0.00)	(0.00)

Other comprehensive income

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	27.56	23.40
Additions during the year	(4.37)	4.16
Deletions/ Transfer during the year	-	-
Closing balance	23.19	27.56

▶ 19 Long term borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Term loans		
from banks	23.10	-
Total	23.10	-

The company has borrowed money from Bank of Baroda for purchase of vehicle.

▶ 20 Other non current financial liability

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	14.75	-
Total	14.75	-

▶ 21 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Provision for employee benefits		
Gratuity	39.35	23.40
Leave encashment	0.28	-
	39.63	23.40
Current		
Provision for employee benefits		
Gratuity	4.72	0.56
Leave encashment	-	-
	4.72	0.56
Total	44.34	23.96

▶ 22 Deferred tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liability	201.98	-
Total	201.98	-

Reconciliation of deferred tax

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	58.71	-
On account of consolidation	(298.56)	-
Tax credit during the year recognised in Statement of profit and loss	36.20	-
Tax credit during the year recognised in Statement of OCI	1.67	-
Closing balance	(201.98)	-

Items constituting deferred tax asset/(liability)

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	(254.65)	48.64
Provision for gratuity, bonus & leave encashment	13.46	5.31
Provision for doubtful recovery	39.20	4.76
Closing balance	(201.98)	58.71

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by same taxation authority. Refer note no. 8.

► 23 Other non current liability

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred security deposit	1.57	-
Total	1.57	-

► 24 Current borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
from banks		
loans repayable on demand		
cash credit limits*	1,897.42	6,068.91
term loans**	8.90	-
Unsecured		
Loans from related parties	-	109.15
Total	1,906.31	6,178.07

* The Company is availing working capital limits under consortium from Punjab National Bank and State Bank of India with Punjab National Bank as lead banker in consortium and SBI is member bank.

The Company is availing a cash credit limit of ₹ 1,000 Lakhs from Punjab National Bank with a sub limit of PC / PCFC / FBP / FBD of ₹ 500 Lakhs under the same Cash Credit limit against Hypothecation of stock, receivable, and advance to suppliers and other current assets on pari-passu basis with consortium members. No DP against stock and Book debts exceeding 180 days to be allowed at Margin @ 25% and the current rate of interest is 1year MCLR (8.50%) + Spread (6.00%) i.e. 14.50% p.a. Further, the Company is also availing LC / DA / DP basis non Fund Based Limit of ₹ 750 Lacs (which includes both side inter change ability LC to CC for ₹ 500 Lacs) for procurement of Raw Material and spares. There are Cash Margins @ 15% in the shape of FDR(s) on LC limits. Total exposure from PNB is Rs. 1,750 lakhs as on 31 March 2024.

The Company is also availing Cash Credit limit of ₹ 1,350 Lakhs from State Bank of India (which includes interchangeability from CC to LC for ₹ 500 Lacs). The limit is secured by way of hypothecation of stock, receivables & other current assets on pari-passu basis with consortium members. No DP against stock and Book debts exceeding 180 days to be allowed at Margin @ 25% and the current rate of interest is 6 months MCLR (8.55%) + Spread 4.10% i.e. 12.65% p.a. Further the Company was availing Non Fund Based LC (Import /Inland /DP/ DA/ BG, Buyers Credit) limits of ₹ 400 lakhs for procurement of raw material and spares. There are Cash Margins @ 15% in the shape of FDR'(s) on LC limits. Total exposure from SBI is Rs. 1,750 lakhs as on 31 March 2024.

Further, the fund based & non fund based limits from banks are secured by mortgage of following collateral assets:

- Industrial property at G-30 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan
- Industrial property at G-24-29 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar Rajasthan
- Industrial Property No. - F-7 & 8, Vigyan Nagar RIICO Indl. Area, Shahjahanpur, Tehsil Neemrana Distt. Alwar, Rajasthan

Further, the Fund Based & Non Fund Based limits are guaranteed by personal guarantee of the following persons:

- Nand Kishore Garg
- Vikas Garg
- Vivek Garg
- Usha Garg
- Seema Garg
- Namita Garg

** The company has borrowed money from Bank of Baroda on purchase of vehicle

▶ 25 Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Unpaid dividends	9.96	9.96
Security deposit	1.11	43.21
Payable to employees	10.08	-
Deferred purchase consideration payable*	45.00	-
Amount refundable to customer against cancelled purchase orders	-	713.27
Share application money refundable	0.18	0.18
Other advances		
Capital advances refundable	95.20	95.20
Expenses payable	105.53	82.65
Total	267.06	944.45

*Deferred purchase consideration consist of payment to VOPL which is on hold and shall be released upon fulfillment of certain conditions in accordance with the share purchase agreement.

▶ 26 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from debtor	186.59	353.81
Statutory dues payable	73.04	262.40
Deferred security deposit	1.14	-
Total	260.77	616.21

▶ 27 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for income tax of current year	332.26	-
Provision for income tax of previous years	78.45	-
Other taxes recoverable	(65.77)	-
Total	344.94	-

Current tax assets/liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax liabilities	332.26	60.34

Reconciliation of effective tax rate

Particulars	As at 31 March 2024	As at 31 March 2023
Net income before tax	1,170.85	1,054.52
Enacted tax rate in India	26.14%	25.17%
Computed tax expense	306.05	265.40
Adjustments on account of		
brought forward losses/unabsorbed depreciation	-	(204.41)
other than permanent difference	38.26	4.81
permanent difference	(12.05)	(5.46)
Income tax expense recognised in the statement of profit and loss	332.26	60.34

▶ 28 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	202.80	301.15
-total outstanding dues of creditors other than micro enterprises and small enterprises	3,448.23	2,401.53
Total	3,651.02	2,702.67

i) All Trade payables are non-interest bearing other than amount payable to MSME.

- ii) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Note No.41.
- iii) The holding company has obtained confirmations from MSME Creditors with respect to Non Payment of Interest on Amount Payable for more than 15 Days.

Ageing schedule for the year ended 31 March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 to 2 year	2 to 3 year	More than 3 years	Total
(i) MSME	202.08	0.72	-	-	202.80
(ii) Others	3,292.66	59.20	31.21	65.16	3,448.23
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing schedule for the year ended 31 March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 to 2 year	2 to 3 year	More than 3 years	Total
(i) MSME	301.15	-	-	-	301.15
(ii) Others	2,270.48	39.82	87.83	3.40	2,401.53
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

The Company exposure to liquidity risk related to the above financial liabilities is disclosed in Note 40.

► 29 Revenue from operations

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Sale of products	25,042.70	7,332.27	(13.50)	32,361.47	39,353.91
Inter branch sales	(382.74)	(6,115.56)	-	(6,498.30)	-
Other operating revenues	-	0.22	-	0.22	912.99
Total	24,659.96	1,216.93	(13.50)	25,863.39	40,266.89

► 30 Other income

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Interest income	59.77	-	-	59.77	26.55
Foreign exchange fluctuation gain	9.71	(0.74)	-	8.97	-
Rebates and discounts received	0.32	-	-	0.32	-
Profit/loss on sale of fixed assets	35.63	-	-	35.63	17.99
Balances written back*	106.15	-	-	106.15	-
Rental income & CAM charges	92.11	-	-	92.11	92.47
Other non operating income	6.84	73.35	-	80.19	180.79
Total	310.53	72.61	-	383.15	317.80

* The balances written back includes an amount of ₹ 106.38 Lakhs booked as custom duty payable on provisional basis on loss of raw material due to fire occurred on 31 March 2017. The amount is no more required to pay, hence, the amount is liable to written back during the financial year ended 31 March 2024.

► 31 Cost of material consumed

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Opening inventory of raw material	2,544.16	178.11	-	2,722.27	7,377.74
Inventory reclassified as stock in trade	(50.19)	-	-	(50.19)	-
Add: Purchases	9,037.54	796.12	-	9,833.67	9,234.40
Inter branch purchases	(382.74)	-	-	(382.74)	-
Add: Direct expenses	952.81	-	-	952.81	-
Less: Closing inventory of raw material	(3,305.09)	(252.69)	-	(3,557.78)	(2,544.16)
Total	8,796.49	721.54	-	9,518.04	14,067.98

► 32 Purchases of stock-in-trade

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Purchase of traded goods (including direct expenses and overheads)	11,875.27	6,722.52	(13.50)	18,584.29	22,482.17
Inter branch purchases	-	(6,115.56)	-	(6,115.56)	-
Inventory reclassified as stock in trade	50.19	-	-	50.19	-
Total	11,925.46	606.97	(13.50)	12,518.92	22,482.17

33 Changes in inventories of finished goods, Stock-in-trade, packing material and work-in progress

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Closing inventory	317.75	529.23	-	846.98	994.27
Opening inventory	994.27	322.47	-	1,316.74	839.14
Change in inventories	676.52	(206.76)	-	469.76	(155.13)

► 34 Employee benefits expense

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Salaries, wages and bonus*	247.08	9.72	-	256.80	165.48
Director's remuneration	17.57	0.10	-	17.67	12.00
Contribution to provident and other funds	24.45	4.05	-	28.50	15.88
Staff welfare expenses	49.30	0.57	-	49.87	61.40
Total	338.39	14.44	-	352.84	254.76

*includes gratuity, leave encashment, keyman insurance, etc.

► 35 Finance costs

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Interest expenses					
on borrowings	604.62	0.20	-	604.83	938.12
on others	0.75	-	-	0.75	0.04
Other financing charges	52.87	0.02	-	52.89	98.60
Total	658.24	0.23	-	658.47	1,036.76

► 36 Depreciation and amortization expenses

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Depreciation & Impairment on tangible assets	375.23	2.43	-	377.66	396.19
Total	375.23	2.43	-	377.66	396.19

► 37 Other expenses

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Freight outward	160.16	55.26	-	215.43	272.34
Bank charges	26.78	0.46	-	27.24	22.83
Legal and professional	181.47	3.94	-	185.40	174.15
Auditor remuneration	12.50	2.75	-	15.25	12.50
Directors' sitting fees	2.80	-	-	2.80	2.00
Travelling and conveyance	82.12	1.18	-	83.30	63.84
Donation	3.99	-	-	3.99	2.03
Insurance	14.71	2.06	-	16.78	29.92
Electricity Expenses	5.73	3.91	-	9.64	5.85
Loading and unloading expenses	13.40	5.80	-	19.19	11.00
Security Charges	53.76	-	-	53.76	19.56
Balances written off	-	0.09	-	0.09	-
Business promotion	150.30	0.01	-	150.31	35.34

Clearing and forwarding charges	-	29.73	-	29.73	-
Repairs and maintenance					
Plant and machinery	226.86	1.59	-	228.45	42.81
Buildings	18.58	1.38	-	19.97	19.00
Others	32.93	1.05	-	33.98	12.00
Printing and stationery	10.03	0.68	-	10.70	10.15
Postage and courier	1.78	-	-	1.78	6.51
Communication costs	7.00	0.12	-	7.11	5.87
Rent	14.19	2.40	-	16.58	27.92
Foreign exchange fluctuation loss	-	-	-	-	10.47
Interest, late fees and penalty	13.21	-	-	13.21	5.75
ECL provision	174.69	-	-	174.69	-
Rates, fees and taxes	18.21	-	-	18.21	2.73
Vehicle Running Expenses	3.50	-	-	3.50	4.62
Research & Development	-	-	-	-	3.20
Rebates and discounts given	-	-	-	-	585.56
Miscellaneous expenses	61.09	6.44	-	67.53	65.05
Total	1,289.79	118.84	-	1,408.64	1,453.00

Payments to Statutory auditors

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Statutory audit fees	12.50	2.00	-	14.50	12.50
Taxation matters	-	-	-	-	-
Company law matter	-	-	-	-	-
For other matters	5.35	0.75	-	6.10	-
Reimbursement	-	-	-	-	-
Total	17.85	2.75	-	20.60	12.50

► 38 Earning per share

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Basic EPS					
Profit for the year				680.28	956.87
Weighted number of shares outstanding				1,21,18,30,887	94,85,76,024
Basic and Diluted EPS (Rs.)				0.06	0.10
Diluted EPS					
Profit for the year				680.28	956.87
Weighted number of shares outstanding				1,21,18,30,887	94,85,76,024
Basic and Diluted EPS (Rs.)				0.06	0.10

► 39 Details of CSR expenditure as per Section 135 of Companies Act, 2013

Particulars	VEL	VOPL	Eliminations	2023-24	2022-23
Gross amount required to be spent by the company during the year				-	-
Amount spent during the year on					
(i) Construction/acquisition of any asset				-	-
(ii) On purposes other than (i) above				-	-
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year				-	-
The total of previous years' shortfall amounts				-	-
Reason for above shortfall				NA	NA
Nature of CSR activities undertaken by the company				NA	NA

The provision applies to the companies having Net Worth of more than Rs. 500 Crores or Turnover more than Rs. 1000 Crores or Net profit more than Rs. 5 Crores in the preceding financial year. The company's Net profit, Turnover & Net Worth of preceding financial year is above the prescribed limit but the amount required to be spent during the year is NIL as company incurred losses during previous years.

► 40 **Employee benefits**

Post-employment benefits plans

(a) Defined contribution plans

Particulars	2023-24	2022-23
Employer's contribution to provident fund	9.10	6.90

(b) Defined benefit plans

The Company operates a defined benefit gratuity plan, wherein every employee, who has rendered at least five years of continuous service, is entitled to the gratuity benefit equivalent to 15 days of total basic salary last drawn for each completed year of service, in terms of Payments of Gratuity Act, 1972. The Company has taken Group Gratuity Scheme for the employees from the LIC of India. Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the each reporting period, as required under Ind AS 19 Employee Benefits.

a) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
At the beginning of year	23.96	24.77
On account of consolidation	13.73	-
Current services cost	4.05	2.95
Interest cost	1.96	1.81
Remeasurements of Actuarial (gain)/ loss	0.35	(5.56)
At the end of year	44.07	23.96

b) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
At the beginning of year	6.37	5.94
Investment income	0.48	0.43
At the end of year	6.85	6.37

c) Expenses recognised in the statement of profit and loss

Particulars	2023-24	2022-23
Service cost	4.05	2.95
Interest cost	1.49	1.37
Total	5.54	4.32

d) Amount recognised in other comprehensive income

Particulars	2023-24	2022-23
Actuarial (gain)/ losses	0.35	(5.56)

e) Assumptions used to determine the benefit obligation are as follows

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.15%	7.45%
Expected rate of increase in compensation levels	5.00%	5.00%
Retirement age (in years)	60	60
Attrition rate based on age (per annum)		
upto 30 years	3%	3%
31-44 years	2%	2%
Above 44 years	1%	1%

f) Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is 12 years (Previous year 13 Years). The expected maturity analysis of undiscounted gratuity is as follows:

Expected cash flows over the next (valued on undiscounted basis)	As at 31 March 2024	As at 31 March 2023
1 year	0.68	0.56
2 to 5 years	3.17	2.64
6 to 10 years	26.76	49.55
More than 10 years	50.47	60.14

g) Sensitivity analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (1% movement)	33.79	26.62	27.11	21.28
Salary growth rate (1% movement)	26.53	33.84	21.20	27.16
Attrition Rate (- / + 50% of attrition rates)	29.48	30.31	23.53	24.36
Mortality Rate (- / + 10% of mortality rates)	29.89	29.94	23.94	23.99

The sensitivity analyses are based on change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The subsidiary Company M/s Vikas Organics Private Limited operates the following post employment Plans:

(a) Defined contribution plans

Particulars	As at 31 March 2024
Employer's contribution to provident fund	0.42

(b) Defined benefit plans

The Company operates a defined benefit gratuity plan, wherein every employee, who has rendered at least five years of continuous service, is entitled to the gratuity benefit equivalent to 15 days of total basic salary last drawn for each completed year of service, in terms of Payments of Gratuity Act, 1972. The Company has taken Group Gratuity Scheme for the employees from the LIC of India. Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the each reporting period, as required under Ind AS 19 Employee Benefits.

a) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2024
At the beginning of year	-
On account of consolidation	0.42
Current services cost	0.15
Interest cost	0.11
Remeasurements of Actuarial (gain)/ loss	0.11
At the end of year	0.80

b) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2024
At the beginning of year	
Investment income	
At the end of year	0.00

c) Expenses recognised in the statement of profit and loss

Particulars	As at 31 March 2024
Service cost	0.12
Interest cost	0.13
Total	0.25

d) Amount recognised in other comprehensive income

Particulars	As at 31 March 2024
Actuarial (gain)/ losses	(0.09)

e) Assumptions used to determine the benefit obligation are as follows

Particulars	As at 31 March 2024
Discount rate	7.21%
Expected rate of increase in compensation levels	5.50%
Retirement age (in years)	60
Attrition rate based on age (per annum)	
upto 30 years	3%
31-44 years	2%
Above 44 years	1%

f) Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is 12 years (Previous year 13 Years). The expected maturity analysis of undiscounted gratuity is as follows:

Expected cash flows over the next (valued on undiscounted basis)	As at 31 March 2024
1 year	0.50
2 to 5 years	0.41
5 to 6 years	0.01
More than 6 years	0.80

g) Sensitivity analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	As at 31 March 2024	
	Decrease	Increase
Discount rate (.50 % movement)	0.05	-0.05
Salary growth rate (0.50% movement)	-0.05	0.05

The sensitivity analyses are based on change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

▶ 41 Contingent liabilities

a) Claims against the company- Nil

b) Guarantees- not acknowledged as debts

Particulars	As at 31 March 2024	As at 31 March 2023
Bank guarantees issued by banks on behalf of the Company*	26.54	111.29
Duty against advance license	88.54	88.54
Total	199.83	175.26

* Above Figures are stated without considering margin money given by the company, for margin money details please refer Note no 11

c) Claims not acknowledged as debts

During the Financial year 2023-24, the income tax department conducted the search on the Vikas Ecotech Limited and its group companies including residence of promoter and KMPs under section 153 of the Income Tax Act. The said search was an additional cover of premises because of transaction with the M/s Best Agrolife Limited and its promoter. As per panchnama dated 30 September 2023 drawn on the conclusion of search no major deviation reported in the books of accounts. Further the department has not impounded any valuable article or things arising out of such proceedings.

The company has filed an appeal against the assessment order under section 153C passed by the Ld. Assessing Officer circle-31, Jhandealana, Delhi. The said appeal involves total demand of ₹ 660.60 Lakhs which pertains to assessment year 2010-11 to 2020-21. Further, the Ld. AO has initiated penalty proceeding u/s 274 of the income tax act, 1961.

During the year the income tax department has issued notice u/s 148 of the income tax act, 1961 for assessment year 2013-14 to 2017-18 & 2021-22 to 2022-23, against this notice the company has preferred to file a writ petition before honourable Delhi high court. The decision of such cases are pending as on 31 March 2024.

The company has filed rectification application u/s 154 of the income tax act, 1961 for the assessment year 2015-16 which is pending for order by the department. Although the company has already deposited outstanding tax of ₹ 3.70 Lakhs.

The Income Tax Department has filed an appeal against the order of honorable ITAT Delhi with respect to total addition of ₹ 339 Lakhs pertains to assessment year 2012-13. Such case is pending before the Honorable Delhi High Court. The total demand of income tax involves the matter of law whether the compensation received against the compulsory acquisition will be treated as agriculture Income or profit from business as sale of real estate division of the company.

An enquiry from the DGGI was initiated in April 2022 pertaining to verification of certain suppliers, wherein Vikas Ecotech Limited submitted a deposit of ₹ 300 Lakhs with the authorities, which is considered as recoverable, if and when the sanctity of the said supplier is verified and the enquiry is concluded favourably. As on the balance sheet date, the matter is pending and no show cause notice is yet issued.

During the year, the company has filed an appeal against the order of the Ld. Deputy Commissioner, Gautam Budh Nagar Noida under section 73 of the CGST act, 2017. The demand of ₹ 63.78 Lakhs pertains to difference in the Input tax credit availed through the GSTR-3B and populated in GSTR-2A. The said assessment pertains to the financial year 2017-18 having GSTN 09AAACV0608G2ZK. Whereas the consequential interest and penalty of ₹ 63.78 Lakhs and ₹ 91.88 Lakhs respectively determined by the Ld. Deputy commissioner of Goods and Service Tax, Noida. Out of total demand raised, the company agreed for demand of ₹ 1.54 Lakhs and filed appeal with respect to disputed amount of Rs. 62.24 Lakhs and deposited 10% of the disputed demand as pre-deposit amounting ₹ 6.22 Lakhs.

During the year, the company has filed an appeal against the order of the Ld. Sales Tax Officer Ward-52, Delhi under section 73 of the CGST act, 2017. The demand of ₹ 207.52 Lakhs pertains to difference in the Input tax credit availed through the GSTR-3B and populated in GSTR-2A. The said assessment pertains to the financial year 2017-18 having GSTN 07AAACV0608G1ZP. Whereas the consequential interest and penalty of ₹ 207.52 Lakhs and ₹ 20.75 Lakhs respectively determined by the Ld. Sales tax officer of Goods and services tax, Delhi. Further the company has deposited 10% of the demand of Rs. 20.75 Lakhs as a pre deposit for filing appeal against the order on 12th April 2024.

The Assistant Commissioner- II, Circle C, Enforcement wing III, Jaipur unit of Goods and services tax has initiated enquiry under section 70 of RGST Act, 2017 with respect to transaction with one of the supplier of the company. The department has deposited amount of ₹ 30 Lakhs u/s 73(5) of RGST Act, 2017 under protest. Further, the company has preferred a civil writ petition number 5022/2024 before honourable Jaipur High Court against such proceedings initiated by Ld. Assistant Commissioner of GST Jaipur, the said petition is pending as on the date of balance sheet.

The Company has filed civil suit against ADM Agro Industries Kota and Akola Limited supplier of Soya Bean Oil in Saket Court Delhi (Case No-CS OS No.-198/214) amounting ₹99.62 Lakhs due to poor supply of soya bean oil. The Company has suffered a loss due to such poor quality of material supplied by them and non-recovery of money from debtors and it also affect goodwill of the Company. ADM Agro Industries Kota and Akola Limited has also filed winding up petition against the Company in High Court (Case No. CO PET N. 64/2014) due to non-payment of Rs. 41,15,664 along with interest at the rate of 18% from the due date of payment. ADM Agro Industries Kota and Akola Limited has also filed a summary suit for recovery of debts in Tis Hazari Court (Summary Suit No. – C S (OS) 3077/2014).

Mr. Pradip Kumar Banerji (Former director) of Vikas Ecotech Limited has sued company for non-allotment of 4,37,000 equity shares under Employee Stock Option Scheme, 2011 for ₹ 110 Lakhs. Case is pending till 31 March 2024 in High Court of Delhi for disposal.

The Directorate of Enforcement, Delhi Zonal Office, New Delhi has issued a provisional attachment order ("Order") bearing number 04/2020 and file number ECIR/10/DZ-1/2017 under section 5(1) of The Prevention of Money Laundering Act, 2002 ("PMLA") against our company, its director Mr. Vikas Garg and other third parties. The ED has recovered the amount of ₹ 7.16 Lakhs on 29 June 2021 kept in the attached bank account No- 19450210001943 maintained with the UCO bank. After recovery of the said amount, attachment has been released by ED and duly closed by the company in FY 21-22.

d) Other money for which company is contingently liable- Nil

► 42 Capital commitment

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts to be executed on capital account	-	30.37
Contractual capital commitment to be fulfilled in respect of real estate projects*	1,25,100.00	-

* In pursuance of its planning to enter into Green-Enviro-friendly Infrastructure Development Projects, the company has entered into collaboration agreement with real estate companies and induced funds of ₹ 19,950 Lakhs on account of its part contribution. The said funds contribution has been shown as Investments in Note 4 in the Balance Sheet. The estimated cost of project in certain cases is yet to be ascertained after conducting comprehensive assessments and feasibility studies to establish a precise project cost and accordingly remaining contribution of the company shall be decided at appropriate stages in the project development as required from time to time.

► 43 Fair value measurement and financial instruments

Financial instruments – by category and fair value hierarchy

The following table shows the carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy:

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets		
At amortised cost		
Non current		
Investments	22,800.00	5,500.00
Loans	1,539.39	-
Trade receivables	431.52	534.39
Others	442.08	406.19
Current		
Trade receivables	7,673.57	14,102.24
Cash and cash equivalents	127.44	10.81
Bank balances other than cash and cash equivalents	297.23	389.70
Others	109.65	122.98
	33,420.87	21,066.31
Financial liabilities		
At amortised cost		
Non current		
Borrowings	23.10	0.00
Others	14.75	0.00
Current		
Borrowings	1,906.31	6,178.07
Trade payables	3,651.02	2,702.67
Others	267.06	944.45
	5,862.26	9,825.20

The following methods / assumptions were used to estimate the fair values:

a) The carrying value of cash and cash equivalents, trade receivables and trade payables and liabilities approximate their fair values mainly due to short-term maturities of these instruments.

- b) The fair value of other financial assets and other financial liabilities is estimated by discounting future cash flows using rates applicable to instruments with similar terms, currency, credit risk and remaining maturities. The fair values of other financial assets and other financial liabilities are assessed by the management to be same as their carrying value and is not expected to be significantly different if estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. These are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- c) The Company's borrowings have been contracted at floating rate of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

There are no significant unobservable inputs used in the fair value measurement.

Fair value hierarchy

All financial instrument for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the financial instruments measured at fair value, by level within the fair value measurement hierarchy:

Particulars	Level	As at 31 March 2024	As at 31 March 2023
Financial assets			
At amortised cost			
Non current			
Investments	Level 3	22,800.00	5,500.00
Loans	Level 3	1,539.39	-
Trade receivables	Level 3	431.52	534.39
Others	Level 3	442.08	406.19
Current			
Trade receivables	Level 3	7,673.57	14,102.24
Cash and cash equivalents	Level 3	127.44	10.81
Bank balances other than cash and cash equivalents	Level 3	297.23	389.70
Others	Level 3	109.65	122.98
		33,420.87	21,066.31
Financial liabilities			
At amortised cost			
Non current			
Borrowings	Level 3	23.10	-
Others	Level 3	14.75	-
Current			
Borrowings	Level 3	1,906.31	6,178.07
Trade payables	Level 3	3,651.02	2,702.67
Others	Level 3	267.06	944.45
		5,862.26	9,825.20

During the year ended 31 March 2024 and 31 March 2023, there were no transfers between Level 1, Level 2 or Level 3 fair value measurements.

► 44 **Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.**

Particulars	As at 31 March 2024	As at 31 March 2023
Principal amount remaining unpaid to any supplier as at the end of the accounting year	202.80	301.15
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year*	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

*Interest due on Micro and small Enterprises is nil, as confirmation from MSME creditors is received that no interest would be claimed or charged on outstanding balance with the company

► 45 **Related party disclosures as per Ind AS-24 "Related Party Disclosures"**

Name	Relation	Date of appointment	Date of cessation
Vikas Garg	Managing director	15-06-1992	-
Vivek Garg	Non executive director	25-07-2008	10-08-2023
Dinesh Bhardwaj	Executive director	06-05-2022	01-05-2023
Amit Dhuria	Chief financial officer	30-05-2018	-
Prashant Sajwani	Company secretary	31-07-2020	-
Balwant Kumar Bhushan	Executive director	13-05-2023	-
Balwant Kumar Bhushan	Chief Executive Officer	13-05-2023	-
Rajeev Kumar	Executive director	10-08-2023	-
IGL Genesis Technologies Limited	Vikas Garg (Common director)	-	-
Just Right Life Limited	Significant influence of relatives of director	-	-
Seema Garg	Relative of director	-	-
Lalit kant Batra	Key Managerial Personnel	01-09-1992	01-03-2024
Ravinder Kant Batra	Key Managerial Personnel	09-03-2005	01-03-2024
Neha Batra	Relative of KMP	-	-
Ruby Batra	Relative of KMP	-	-
Akhil Batra	Relative of KMP	-	-
Kushagra Batra	Relative of KMP	-	-
Shikhar Batra	Relative of KMP	-	-
R.K. Batra & Sons (HUF)	Enterprises over which KMP have significant influence	-	-
L.K. Batra & Sons (HUF)	Enterprises over which KMP have significant influence	-	-
Niraj Kumar Sinha	Key Managerial Personnel	21-02-2024	-
Ridham Dhawan	Key Managerial Personnel	21-02-2024	-

Related party transactions and balances for the year ended 31 March 2024 and 31 March 2023 are as below:

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured loan		
Vikas Garg		
Opening balance	109.15	1,349.37
Taken during the year	606.60	923.20
Reimbursement of expenses	25.83	-
Interest charged during the year	-	-
Repaid during the year	741.58	2,163.41
Closing balance	-	109.15
Preferential warrants		
Vikas Garg		
Opening balance	-	-

Warrants issued	3,400.00	-
Shares issued/warrants converted	3,400.00	-
Closing balance	-	-
Salary & other payables		
Vikas Garg	0.20	0.90
Dinesh Bhardwaj	-	0.49
Amit Dhuria	1.37	1.43
Prashant Sajwani	0.85	0.70
Balwant Kumar Bhushan	0.50	-
Rajeev Kumar	0.44	-
Niraj Kumar Sinha	1.04	-
Remuneration and other benefits		
Vikas Garg	12.20	12.00
Dinesh Bhardwaj	1.42	8.20
Amit Dhuria	22.83	20.95
Prashant Sajwani	10.21	8.10
Balwant Kumar Bhushan	5.34	-
Rajeev Kumar	5.59	-
Niraj Kumar Sinha	1.46	-
Reimbursement of expenses		
Amit Dhuria	1.14	-
Prashant Sajwani	0.77	-
Vikas Garg	42.67	-
Advik Optoelectronics Limited		
Sale of goods	-	396.50
Repair and maintenance	-	2.76
Amount receivable	-	262.32
Rent		
Seema Garg	5.37	5.04
IGL Genesis Technologies Limited		
Purchase of fixed assets	5.56	
Service charges	0.25	
Amount payable	0.29	-
Just Right Life Limited		
Sale of property booking rights	1,830.00	-
Reimbursement of expenses	0.87	-

Segregation of post-employment benefit plans of gratuity for individuals cannot be ascertained.

Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

► **46 Status of Insurance Claim**

The fire incidence occurred at factory located at RIICO Industrial Area, Shahjahanpur, Rajasthan on 31 March 2017. The claim was lodged with Insurance Company for ₹1,631 Lakhs out of which ₹1,065 Lakhs was on account of stock. The company has filed appeal before the National Consumer Forum for the differential amount and Interest on delayed payment as well. Protocol insurance surveyors and loss assessors Private Limited has submitted insurance claim to the Insurance company and the claimed approved ₹ 614.98 Lakhs against stock and ₹ 319.33 against Plant & Machinery. The Division officer (DO) of Oriental Insurance Company has approved the report submitted by surveyor without any modifications. Further, Division Officer has submitted their report to regional office for further disbursal of claim, in response to the evidence and Documents submitted the Ad hoc deduction of 10 % of consent amount (₹ 934.31 Lakhs) was made by the OIC. On 20 September 2019 the OIC had paid ₹ 837.60 Lakhs as settlement of claim. Aggrieved by the receipt of claim the company has filed appeal before the National Consumer court. The National Consumer court has approved the claim of ₹ 1,287.70 Lakhs on 30 April 2024 and same was received by the company. In nutshell the company has received ₹ 2,125.30 Lakhs including interest on delay payment from the date of acceptance of claim to the date of payment.

► 47 **Financial risk management objectives and policies**

The Company's principal financial liabilities comprise borrowings, trade payables etc. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, security deposits, etc. that derive directly from its operations.

The Company is exposed to market risk (interest rate risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance frame work for the Company are accountable to the Board Audit Committee. This process provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and Company's risk appetite. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

Market Risk – Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's borrowings with floating interest rates.

Exposure to interest rate risks

The Company's interest rate risk arises majorly from the borrowings carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable rate instruments	As at 31 March 2024	As at 31 March 2023
Secured loan from banks (including current maturities)	1,929.42	6,068.91

Interest rate sensitivity analysis

A reasonably possible change of 0.5% in interest rates at the reporting date would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

Particulars	Statement of Profit and Loss for the year ended 31 March 2024		Statement of Profit and Loss for the year ended 31 March 2023	
	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Interest on loan	20.00	(20.00)	38.68	(38.68)

Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	Note no	As at 31 March 2024	As at 31 March 2023
Trade receivables	16	8,105.09	14,636.63
Cash and cash equivalents	11	127.44	10.81
Other bank balances	12	297.23	389.70
Other financial assets (including investments)	5/6/7/13	24,891.12	6,029.17

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents and bank deposits is generally limited as the Company transacts with Banks having a high credit ratings assigned by domestic credit rating agencies.

► 48 **Transaction with entities covered under promoter group as defined under SEBI Listing Regulations**

Particulars	As at 31 March 2024	As at 31 March 2023
Vrindaa Advanced Materials Limited		
Purchase of goods	1,606.12	1,822.07
Sale of goods/services/fixed assets	-	471.85
Amount receivable		
Vrindaa Advanced Materials Limited		
Opening balance	2,888.85	3,922.16

Purchase of goods (including GST)	1,894.50	2,150.05
Sale of goods/services/fixed assets (including GST)	-	474.29
Others (Reimbursements, TDS, third party payments etc.)	4.25	4.36
Receipts (including advances)	3,996.00	2,629.40
Payments (including advances)	3,000.20	3,267.50
Closing balance	2.81	2,888.85
Vikas Lifecare Limited		
Purchase of goods/services	247.13	2,387.71
Sale of goods	760.01	141.58
Others (Reimbursements, TDS, third party payments etc.)	62.73	809.10
Amount receivable		
Vikas Lifecare Limited		
Opening balance	247.22	2,540.27
Sale of goods (including GST)	896.81	147.72
Purchase of goods (including GST)	291.62	1,476.74
Others (Reimbursements, TDS, third party payments etc.)	62.73	(2,008.05)
Receipts (including advances received back)	3,795.33	3,596.52
Payments (including advance against suppliers)	2,991.50	4,640.54
Closing balance	111.31	247.22

► **49 Information on Segment Reporting pursuant to Ind AS 108 - Operating Segments**

Operating segments:

Infra & Energy

Chemical, Polymers & Special Additives- Holding & Subsidiary Company

Real Estate

Identification of segments:

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products & services.

Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and liabilities

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers.

#	Particulars	31 March 2024	31 March 2023
1	Revenue by nature of products/services		
(a)	Infra & Energy	12,176.48	25,491.97
(b)	Chemical, Polymers & Special Additives	13,686.91	14,774.92
(c)	Real Estate	-	-
	Total	25,863.39	40,266.89
2	Segment Results before tax and interest		
(a)	Infra & Energy	1,290.14	3,450.90
(b)	Chemical, Polymers & Special Additives	2,077.52	439.03
(c)	Real Estate	(11.00)	(18.04)
	Sub Total	3,356.66	3,871.89
Less	Finance costs	658.47	1,036.76
Add	Other income	383.15	317.80
Less	Other expenses	2,139.13	2,103.96

	Profit before tax	942.21	1,048.96
Less	Tax expenses	257.56	96.25
	Net profit	684.64	952.72

3 Segment capital employed

The assets and liabilities of the Company are used interchangeably amongst segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence, assets and liabilities have not been identified to any of the reportable segments.

4 Major customers

For the year ended 31 March 2024, revenue from two customers of the Infra & Energy Segment represented approximately ₹ 5,640.54 Lakhs and ₹ 1,569.67 Lakhs of the total revenue

For the year ended 31 March 2023, revenue from two customers of the Infra & Energy Segment represented approximately ₹ 10661.19 Lakhs and ₹ 12,906.86 Lakhs of the total revenue

Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

- 5 During the year, the company has expand its real estate division at a bigger scale. Adding to the real estate business, company has collaborated with other real estate groups and entered into several joint development agreements. The company made investment in such projects worth ₹19,950 Lakhs as per their part contribution till 31 March 2024. The projects income is not yet accrued to the company as all the projects are at initial stages. (Refer note no. 4 for detail)

► 50 Trade receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Impairment of financial assets:

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets. In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost. ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss provision for trade receivables is determined as follows:

Particulars	Expected loss rate
Not past due & Past due between 0 to 3 years	0%
Past due between 3 to 5 years	25%
Past due between 5 to 6 years	30%
Past due above 6 years	40%

Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. During the year, the company has provided ECL of ₹ 155.77 Lakhs.

The ageing analysis of trade receivables as on the reporting date is as follows

Particulars	<6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	> 3 Year	Total
As at 31 March 2024	7,361.54	196.74	88.24	88.60	369.97	8,105.09
As at 31 March 2023	13,823.72	227.64	50.88	138.45	395.94	14,636.63

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk on account of its borrowings, receivables and other payables in foreign currency. The functional currency of the company is Indian Rupee.

The foreign currency exchange management policy is to minimize economic and transactional exposures arising from currency movements against the US dollar & Euro. The Company manages the risk by netting off naturally-occurring opposite exposures wherever possible, and then dealing with any material residual foreign currency exchange risks if any.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2024 and 31 March 2023 are as follows:

Particulars	Currency	As at 31 March 2024	As at 31 March 2023
Trade receivables	INR	-	-
Trade payables	INR	312.94	733.51
Advance to suppliers	INR	47.37	18.98
Borrowings	INR	-	-
Net foreign currency exposure	INR	(265.57)	(714.53)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollar & Euro at reporting date would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in thousands of INR	As at 31 March 2024		As at 31 March 2023	
1% movement	Strengthening	Weakening	Strengthening	Weakening
INR for Foreign Currency Exposure	-2.66	2.66	7.15	(7.15)

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company principal sources of liquidity are cash and cash equivalents and the cash flow generated from operations. The Company closely monitors its liquidity position and deploys a robust cash management system.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31 March 2024						
Particulars	Carrying amount	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
Borrowings	1,929.42	-	1,906.31	23.10	-	1,929.42
Trade payables	3,651.02	3,651.02	-	-	-	3,651.02
Other financial liabilities	281.81	-	281.81	-	-	281.81
As at 31 March 2023						
Particulars	Carrying amount	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
Borrowings	6,178.07	-	6,178.07	-	-	6,178.07
Trade payables	2,702.67	2,571.63	-	39.82	91.22	2,702.67
Other financial liabilities	944.45	-	944.45	-	-	944.45

Capital management

Capital includes equity attributable to the equity holders of the parent. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No major changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and 31 March 2023.

The Company's capital consists of equity attributable to equity holders that includes equity share capital, retained earnings and borrowings.

Particulars	As at 31 March 2024	As at 31 March 2023
External resources	1,929.42	6,178.07
Less: Available assets	127.44	10.81
Total debt (a)	1,801.98	6,167.26
Total equity (b)	37,641.92	23,794.19
Capital gearing ratio ((a)/(a+b))	4.57%	20.58%

► 51 Regrouping/ Reclassification

Previous year/comparative year figures are reported as standalone figures of holding company as the consolidation became effective during the year with effect from 15.02.2024. Further, Certain reclassification have been to the comparative period Financial statements to enhance comparability with the current financial year financial statements & enhance compliance with guidance note on the Division-II- Ind AS Schedule III to the companies Act, 2013.

As a result, certain line items, comparative figures of 31 March 2023, have been reclassified in the balance sheet as at 31 March 2024 the details of which are as under:

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Finance costs				a) Amount reclassified to interest, late fees and penalty under the head other expenses as company has paid interest on late deposit of statutory liabilities
Interest expenses on others	4.52	(4.49)	0.04	
Other financing charges	121.46	(22.87)	98.60	
Other expenses				b) Amount reclassified to bank charges under the head other expenses as bank charges is not a part of finance costs."
Interest, late fees and penalty	-	4.52	4.52	
Bank charges	-	22.83	22.83	
Total	125.99	-	125.99	

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Cost of RM consumed				Inventory of finished goods is reclassified from consumption to change in inventory of finished goods
Opening inventory	8,164.36	(786.62)	7,377.74	
Purchases including direct expenses	9,234.40	-	9,234.40	
Closing stock	3,503.96	(959.80)	2,544.16	
COGS	13,894.80	173.18	14,067.98	
Change in inventory of FG				
Opening stock	52.52	786.62	839.14	
Closing stock	34.48	959.80	994.27	
Change in stock	18.05	(173.18)	(155.13)	
Total	13,912.85	(0.00)	13,912.85	

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Cash and cash equivalents				Reclassified unpaid dividend account from cash and cash equivalents to bank balances other than cash and cash equivalents as per Division II Schedule III presentation
Unpaid dividend account	9.96	(9.96)	-	
Bank balances other than cash and cash equivalents				
Others				
Unpaid dividend account	-	9.96	9.96	
Total	9.96	-	9.96	

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Other current financial liabilities				Amount reclassified from other current financial liabilities to other current liabilities as these are of non financial nature
Statutory dues payable	82.65	(82.65)	-	
Other current liabilities				
Statutory dues payable	-	82.65	82.65	
Total	82.65	-	82.65	

Particulars	Before Reclassification	Reclassification	After Reclassification	Remarks
Other current financial assets				Provision for income tax, advance tax and TDS is reclassified from other current financial assets to current tax assets (net)
Other taxes recoverable	103.21	(30.76)	72.45	
Current tax assets (net)				
Provision for income tax of current year	-	(60.34)	(60.34)	
Provision for income tax of previous years	-	(72.45)	(72.45)	
Other taxes recoverable	-	163.55	163.55	
Total	103.21	-	103.21	

► 52 Ratios

The following are analytical ratios for the year ended 31 March 2024 and 31 March 2023

S. No	Particulars	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023
1	Current Ratio (no. of times)	Current assets	Current liabilities	2.09	2.19
2	Debt-Equity Ratio	Total debt	Shareholder's equity	0.05	0.26
3	Debt Service Coverage Ratio (no. of times)	Earnings available for debt service	Debt Service	0.77	NA
4	Return on Equity (ROE) (%)	Net profit after taxes	Average shareholder's equity	2.23%	4.09%
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	5.67	6.19
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.27	2.86
7	Trade payables turnover ratio	Total Purchases	Average trade payables	7.20	14.98
8	Net capital turnover ratio	Revenue from operations	Working capital	3.69	3.23
9	Net profit ratio (%)	Net Profit (total comprehensive income)	Revenue from operations	2.63%	2.38%
10	Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed	4.25%	8.77%
11	Return on investment (ROI) (%)	Income generated from investments	Average value of investments	NA	NA

#Comparative ratio has been stated same as standalone figures of holding company as consolidation is implemented during current year w.e.f 15.02.2024 and hence not applicable in previous year, due to this reason variances and reasons for variances not given.

► 53 **Other Statutory Informations**

- a) All the immovable properties held by the company are in the name of the company (where the company is the lessee and the lease arrangements are duly executed in favour of lessee) as on the balance sheet date except the following :
- There is one property of the company located in Jammu state, which is held in the state of Sigma Plastic Industries. The Said Firm was the taken over by the company in the earlier years. The title of the said property could not be transferred in company's name due to some pending procedural conditions and formalities.
- b) The Company does not have any "Benami Property", where any proceeding has been initiated pending against the Company for holding any "Benami Property".
- c) The Company has not advanced any loan or advances in the nature of loan to specified persons viz. Promoters, Directors, KMP, and Related Parties which are repayable on demand or where the agreement document not specifies any terms or period of repayment.
- d) The Company has not been declared as a wilful defaulter by any lender who has the power to declare a Company as a wilful defaulter at any time during the financial year or after the end of the reporting period but before the date when the financial statements are approved.
- e) The Company has utilized funds raised from the issue of securities or borrowings from banks & financial institutions for the specific purposes, for which they were issued/taken.
- f) 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 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 guarantees, securities or the like or on behalf of the ultimate beneficiaries
- g) The Company has not received any funds from any person(s) or entity(ies), including foreign entity(ies) (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 guarantees, securities or the like or on behalf of the ultimate beneficiaries
- h) There are no transactions and/or balances outstanding with companies struck off under section 248 of the Companies Act'2013.
- i) The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- j) The Company has not traded or invested in cryptocurrency or virtual currency during the financial year.
- k) The Company does not have any charges or satisfaction of charges which is yet to be registered with the registrar of companies (ROC) beyond the satisfactory period.
- l) The company has borrowings from banks and accordingly company has submitted monthly stock statements with respective Financial Institutions. Details of security of current assets filed by the Company with banks & their difference is as per table annexed below:

Month	Name of the Bank	Particulars of Security Provided	Value as per Bank DP	Value as per Books	Difference	Remarks
April	Punjab National Bank, State Bank of India & Bank of Baorda, under Consortium Finance. PNB is the lead bank and SBI & BOB are member banks in said Consortium. BOB exited during the month of September	Inventories, trade receivables upto 180 days, advance to suppliers upto 90 days, net of trade payables and advances from customers	7,841.43	7,799.50	41.94	No material discrepancies, considering volume & size of DP. The reason for the discrepancy is mainly due to re-grouping of debtors or creditors
May			7,072.67	7,022.12	50.54	
June			7,518.87	7,503.66	15.21	
July			8,150.30	8,103.34	46.95	
August			6,890.98	6,845.04	45.94	
September			8,013.22	8,046.56	(33.34)	
October			8,338.79	8,376.86	(38.08)	
November			9,238.41	9,337.96	(99.54)	
December			8,361.29	8,393.09	(31.81)	
January			6,579.02	6,633.47	(54.45)	
February			6,422.70	6,452.52	(29.82)	
March			5,483.61	5,527.77	(44.16)	

Note: The company has availed drawing power against working capital of the company as per working capital limit sanctioned under consortium finance by Punjab National Bank. Further there is no material discrepancies have been reported while submitting monthly drawing power statement to the lead bank. The company has not availed any excess DP during the year as the sanctioned limit is lower than company's DP eligibility as per stock statement submitted to bank and as per books of accounts for every month or quarter so the above discrepancies is irrelevant.

As per our Report of even date attached
For KSMC and Associates
Chartered Accountants
FRN : 003565N

CA SACHIN SINGHAL
Membership No. 505732
UDIN: 24505732BKEGJY3558

Prashant Sajwani
Company Secretary

For and on behalf of the Board Of Directors
Vikas Ecotech Limited

Vikas Garg
Managing Director
DIN: 00255413

Rajeev Kumar
Director
DIN: 10271754

Amit Dhuria
Chief Financial Officer


Balwant Kumar Bhushan
Chief Executive Officer

Date : 22 May 2024
Place : Delhi



VIKAS ECOTECH LIMITED

CIN: L65999DL1984PLC019465

 **Registered Office: 34/1, Vikas Apartments,
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