

VAMA INDUSTRIES LIMITED

Registered Office : Ground Floor, 8-2-248/1/7/78/12, 13, Block - A, Lakshmi Towers, Nagarjuna Hills, Punjagutta,
Hyderabad - 500 082, Telangana, India, Ph. : +91-40-6684 5534, Fax : +91-40-2335 5821.
CIN: L72200TG1985PLC041126, E-mail: services@vamaind.com, Website: www.vamaind.com



Date: 26.08.2024

To
The Department of Corporate Services
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai — 400 001

Dear Sir/Ma'am

Sub: Submission of Notice of 39th AGM along with Annual Report for the FY 2023-24

Ref: Company Code — 512175

We wish to inform you that 39th Annual General Meeting (AGM) of the Company is scheduled to be held on Wednesday, September 18, 2024 at 04.00 P.M through Video Conferencing (VC)/ Other Audio-Visual Means.

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2023-24. The Annual Report along with Notice of AGM is also being uploaded on the Company's website i.e. <https://www.vamaind.com>.

Also find Attached Certificate of Corporate Governance issued by Ms. Sravanthi Gadiyaram, Practicing Company Secretary.

This is for your information and necessary records

Kindly acknowledge receipt and take same on record.

Yours faithfully

For Vama Industries Limited

V. Atchyuta Rama Raju
Managing Director
DIN: 00997493





VAMA INDUSTRIES LIMITED

39th
ANNUAL
REPORT

2023-24



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<p>Executive Directors V. Atchyuta Rama Raju – Managing Director V. Parvathi – Executive Director</p>	<p>Company Secretary & Compliance Officer Kallepally Bharath Kumar</p>
<p>Non-Executive & Independent Directors Jonnada Vaghira Kumari S.B.V. Subramanyam Alumolu (Resigned wef 20.06.2024) Shilpa Kotagiri Manish Kumar Shukla (Appointed wef 10.05.2024)</p> <p>Non-Executive & Non-Independent Director Vandana Modani (Appointed wef 14.03.2024)</p>	<p>CFO Archana Pabba</p>
<p>Statutory Auditors M/s. P.Suryanarayana & Co. Chartered Accountants 6-3-1092/93, NIAR Campus, Beside Santhi Sikhara Apartments, Somajiguda, Raj Bhavan Road, Hyderabad–500082</p>	<p>Registrar & Share Transfer Agents Bigshare Services Private Limited 306, Right Wing, Amrutha Ville Opp. Yashoda Hospital, Somajiguda, Raj Bhavan Road, Hyderabad–500082.</p>
<p>Internal Auditor Goda Sreenivasa Karthik Siva Charan Chartered Accountant Address. H.no 1-4-213/1&2 part, “Chandi Saketh”, Sadhanavihar Colony, Opp. Abhinav Residency Apartment, Kapra, Hyderabad– 500062</p>	<p>Registered Office Door No.8-2-248/1/7/78/12,13, Ground Floor, Block–A, Lakshmi Towers, Nagarjuna Hills, Punjagutta, Hyderabad, Telangana - 500082 Tel:+914066845534 Fax: +914023355821 Website & email Id for Investors Website: www.vamaind.com Email Id: investorservices@vama.co.in & cs@vamaind.com</p>
<p>Bankers State Bank of India, Balkampet, Hyderabad</p>	<p>Corporate Office 619,6th Floor, Maker Chambers - V Nariman Point, Mumbai - 400021</p>
<p>39th Annual General Meeting Date & Time: 18th September,2024 at 4:00 P.M Day: Wednesday Mode: VC/OVAM</p> <p>Cut-off Date (for e-voting) Date: 11th September,2024 [Wednesday]</p>	

Notice is hereby given that the Thirty Ninth (39th) Annual General Meeting (AGM) of the members of Vama Industries Limited will be held on Wednesday, 18th day of September, 2024 at 04:00 P.M through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following items of business:

ORDINARY BUSINESS:

Item 1: Adoption of Financial Statement.

To receive consider and adopt:

- a. the audited Financial Statement of the Company for the Financial Year 2023-24 together with the Reports of the Board of Directors and Auditors thereon; and
- b. the audited Consolidated Financial Statement of the Company for the Financial Year 2023-24 together with the Report of the Auditors thereon.

Item 2: Re-appointment of Director.

To appoint a Director in place of Mrs. V. Parvathi (DIN: 01240583) who retires by rotation and being eligible offers herself for reappointment.

SPECIAL BUSINESS:

Item 3: Re- appointment of V. Atchyuta Rama Raju (DIN: 00997493) to the office of Managing Director

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act (including any statutory modification(s) or re-enactments thereof for the time being in force), the re-appointment of Mr. Vegesna Atchyuta Rama Raju (DIN: 00997493) to the office of Managing Director of the Company for a period of 3 years w.e.f 01.07.2024, a Key Managerial Personnel as defined U/s 2(51) of the Act, by the Board of Directors, at a remuneration not exceeding Rs.2.50 lacs per month as approved by the Nomination and Remuneration Committee be and is hereby approved.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to vary the terms and conditions of appointment including but not limited to remuneration payable to Mr. Vegesna Atchyuta Rama Raju, however subject to a maximum limit of Rs.2.50lacs per month or make any other variation(s), alteration(s), addition(s), deletion(s), to the aforementioned remuneration structure, as it may deem fit and proper, during his tenure as Managing Director of the Company.”

By the Order of the Board
For **Vama Industries Limited**

Sd/-

V. Atchyuta Rama Raju
Chairman and Managing Director
DIN:00997493

Place: Hyderabad
Date: 21.08.2024

NOTES

1. In accordance with the provisions of the Companies Act, 2013 ("Act") read with the Rules made thereunder and General Circular No. 20/2020 dated 5th May, 2020 read with General Circulars No. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, and then vide General Circulars No. 02/2021 dated 13th January, 2021, 21/2021 dated 14th December, 2021, 2/2022 dated 5th May, 2022, 10/22 dated December 28, 2022 and 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), read with Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 07, 2023 and other relevant circulars issued by the Securities and Exchange Board of India ("SEBI"), from time to time, companies are allowed to hold AGM through Video Conference ("VC") or Other Audio Visual Means ("OAVM") upto 30th September 2024, without physical presence of members at a common venue. Hence, in compliance with the MCA Circulars and Circulars issued by SEBI, the AGM of the Company is being held through VC/ OAVM and the venue of the AGM shall be deemed to be the registered office of the Company.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being proposed to be held pursuant to the aforesaid Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and the Attendance Slip are not attached to this Notice.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), in respect of item of special business is annexed hereto.
4. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to your addresses, email id, ECS mandate etc.

In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s Bigshare Services Private Limited, Hyderabad by enclosing a photocopy of blank cancelled cheque of your bank account.
5. As per Regulation 40 of the Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. Even the transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form with effect from January, 24, 2022. In view of this and to eliminate all the risks associated with physical shares and for the ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s Bigshare Services Private Limited, Hyderabad, are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
7. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
8. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

9. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016('IEPF Rules') as amended from time to time, shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

Members/Claimants whose shares, unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 which is available on www.iepf.gov.in and on the website of the Company www.vamaind.com along with requisite fee as decided by it from time to time.

Members who have not yet encashed the dividend warrants from the financial year ended 31st March 2017 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which were lying with the Company upto and in respect of the year ended on 31st March 2016, have already been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at www.vamaind.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in. Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends.

10. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
11. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company /RTA.
12. Members may also note that the Notice of the 39th AGM is available on the Company's website, www.vamaind.com. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection by the members at the Registered Office of the Company on all working days during business hours up to the date of the Annual General Meeting and also in electronic mode by the Members by writing an e-mail to the Company Secretary at cs@vamaind.com.
13. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participants. Members may note that the Notice and the Annual Report 2023-24 will also be available on the Company's website, www.vamaind.com, on the website of the Stock Exchange, i.e. BSE Limited, www.bseindia.com and on the website of CDSL, www.evotingindia.com.
14. To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants in respect of shares held in physical/electronic mode, respectively.

15. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
16. The register of Directors and Key Managerial Personnel maintained under Section 170 of the Companies Act, 2013 and Register of Contracts and arrangements in which Directors are interested, maintained under Section 189 of the Act, will be electronically available for inspection by the members during the AGM.
17. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on General Meetings, information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished along with this Notice. The Directors have furnished the requisite consent/declaration for their appointment /re-appointment. Further Additional Disclosure in terms of Section II of Part II of Schedule V of the Companies Act, 2013 is furnished along with this Notice.
18. The Company has appointed Mr. Vikas Sirohiya, Practicing Company Secretary (M. No. 15116 and C.P No. 5246) to act as the Scrutinizer to conduct and scrutinize the voting process in a fair and transparent manner. The cut-off date for e-voting has been fixed as Wednesday, 11th September, 2024.

E-VOTING

CDSL E-VOTING SYSTEM – FOR REMOTE E-VOTING AND E-VOTING DURING AGM

1. 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), MCA Circulars and SEBI Circulars, the Company is providing facility of 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM will be provided by CDSL.
2. 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 to at least 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.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM will be uploaded on the website of the Company, www.vamaind.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice will also be also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com

INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:

- (i) The voting period (remote voting) begins on 15th September, 2024 at 09:00 A.M. and ends on 17th September, 2024 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 11th September, 2024 may cast their vote electronically. The Remote e-voting module shall be disabled by CDSL for voting thereafter. However, the e-voting module shall be enabled for voting by the members during the AGM which shall continue till 15 minutes upon conclusion of the Meeting.
- (ii) Board of Directors have appointed Mr. Vikas Sirohiya, Practising Company Secretary, (M. No. 15116, C.P. No.5246) to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the AGM.
- (iv) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders /retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (v) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) 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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) 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.

	<ol style="list-style-type: none"> 3) 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 My easi Tab and then click on registration option. 4) 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.
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) 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. 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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 loginthrough depository i.e. CDSL and NSDL

Login type	Helpdesk details
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
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDLhelpdesk by sending a request at evoting@nsdl.co.in or call attoll free no.: 022- 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(vi) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Members holding shares in Demat/ Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both dematshareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on **“SUBMIT”** tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Company, i.e., Vama Industries Limited, on which you choose to vote.
- (xi) On the voting page, you will see **“RESOLUTION DESCRIPTION”** and against the same the option **“YES/NO”** for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.**
- (xiii) After selecting the resolution, you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.
- (xiv) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on **“Click here to print”** option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on **Forgot Password** & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xviii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log onto www.evotingindia.com and register themselves in the **“Corporates”** module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, non-individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@vamaind.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (cs@vamaind.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (cs@vamaind.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are 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 available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free No. 1800 22 55 33.

C) GENERAL INSTRUCTIONS:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on 11th September 2024, the Cut-off date.
- ii. The Scrutinizer, after scrutinising the votes cast during the meeting and through remote e-voting will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company, www.vamaind.com and on the website of CDSL, www.cdslindia.com. The results shall simultaneously be communicated to BSE Limited. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, i.e., September 18, 2024.
- iii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

By the Order of the Board
For **Vama Industries Limited**

Sd/-
V. Atchyuta Rama Raju
Chairman and Managing Director
DIN:00997493

Place: Hyderabad
Date: 21.08.2024

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

Item No.3

As you are aware, Mr. V. Atchyuta Rama Raju is the promoter of the Company and has been associated as its Managing Director in the executive position since more than 21 years. It would not be an exaggeration to mention that the Company owes its very existence to his incessant hard work and extensive experience in the field of Information Technology, IT Enabled services and System Integration.

Considering his unparalleled contribution in the past and his indispensable association in the future, the Board of Directors, in their Meeting held on 20th June, 2024 reappointed Mr. V. Atchyuta Rama Raju for a period of 3 years with effect from 01st July, 2024.

Pursuant to the provisions of Section 196 and 197 of the Companies Act, 2013 read with Schedule V to the said Act, any such appointment needs to be approved by the members in their General Meeting.

In view of the aforesaid, the resolution set out at Item No. 3 is recommended for your consideration.

A Copy of draft letter of appointment of Mr. V. Atchyuta Rama Raju as the Managing Director of the Company setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during the working hours on any working day till the conclusion of the ensuing AGM.

Mr. V. Atchyuta Rama Raju and Ms. Vegesna Parvathi and their relatives, being the shareholders in the Company are interested in the resolution set out at Item No.3 in the Notice.

Save and except the aforesaid, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 in the Notice.

Brief profile

Mr. V. Atchyuta Rama Raju (61 years) is a commerce graduate and he is a Promoter of the Company. He takes personal interest in developing teams with a strong belief that ordinary people are capable of making things possible. As the Managing Director the company, he carries the overall responsibility for the strategy and operations of IT business.

During his tenure, the business achieved significant success accelerating both growth and profitability; he has been instrumental in building leadership talent and substantially strengthening organizational capabilities. He is a member of Risk Management Committee. He is also the Managing Director of M/s. Vama Infrastructure and Equipment Private Limited.

It is proposed to seek members approval for the re-appointment of and remuneration payable to Mr. V. Atchyuta Rama Raju as Managing Director of the Company, in terms of the applicable provisions of the Act.

Information in respect of Directors seeking appointment / re-appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Mr. V Atchyuta Rama Raju (DIN: 00997493) is available on the website of the Company at www.vamaind.com.

Name of the Director	V. Atchyuta Rama Raju (DIN: 00997493)
Date of Appointment including terms and conditions of appointment	Reappointment to the office of Managing Director for a period of 3 years w.e.f 01.07.2024 at a remuneration not exceeding Rs 2.5 Lacs per month
Date of first appointment on the Board	07.12.2002
Date of Birth	06.04.1963
Expertise in Specific Functional areas and Experience	Experience of more than 2 decades in Finance and Project Monitoring
Educational Qualification	Graduation in Commerce
Directorships in other Companies (other than Vama Industries Limited)	Vama Infrastructure and Equipment Private Limited
Membership / Chairmanship of committees of Other Boards (other than Vama Industries Limited)	NIL
Details of Remuneration sought to be paid and the remuneration last drawn by such person	Remuneration Last Drawn: Rs.7.50 lacs per annum for the FY 2023-24 Proposed Remuneration: Rs.2.50 lacs per month
Listed entities from which the appointed director has resigned in the past three years	Nil
Shareholding in the Company as on 31.03.2024	1,25,55,120 equity shares
Relationship between Directors inter-se/ Manager and KMPs	Spouse of Vegesna Parvathi, the Executive Director of the Company. Not related to any other Director or Manager or KMPs of the Company.
Number of meetings of the Board attended during the year 2023-24	9/9

Information in respect of Directors seeking appointment / re-appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Detailed Profile of Mr. V Parvathi (DIN: 01240583) is available on the website of the Company at www.vamaind.com.

Name of the Director	V Parvathi (DIN: 01240583)
Date of Appointment including terms and conditions of appointment	Proposed for retirement by rotation in the ensuing AGM. Holds the office of Executive Director for a period of 3 years wef 10.09.2023 at a remuneration not exceeding Rs.19,000 per month.
Date of first appointment on the Board	11.09.2020
Date of Birth	10.04.1963
Expertise in Specific Functional areas and Experience	HR and Admin. Experience of more than 11 years in the field of HR and Admin
Educational Qualification	B. Com
Directorships in other Companies (other than Vama Industries Limited)	Vama Infrastructure and Equipment Private Limited
Membership / Chairmanship of committees of Other Boards (other than Vama Industries Limited)	Nil
Details of Remuneration sought to be paid and the remuneration last drawn by such person	Rs.19,000 per month.
Listed entities from which the appointed director has resigned in the past three years	Nil
Shareholding in the Company as on 31.03.2024	7,74,500 equity shares
Relationship between Directors inter-se/ Manager and KMPs	Spouse of V. Atchyuta Rama Raju, the Managing Director of the Company. Not related to any other Director or Manager or KMPs of the Company.
Number of meetings of the Board attended during the year 2023-24	9/9

Additional Disclosure in terms of Section II of Part II of Schedule V of the Companies Act, 2013 in relation to Item No.3

I. GENERAL INFORMATION			
Nature of Industry	IT & IT Enabled Services		
Date of commencement of commercial operation	The Company was incorporated in the year 1985 and obtained certificate of Commencement of Business in the same year.		
In case of new Company, expected date of commencement of activities as per project approved by FI, appearing in the prospectus	N.A		
Financial Performance	(Rs. in lakhs)		
Financial parameters:	2023-24	2022-23	2021-22
	(audited)	(audited)	(audited)
Turnover (operational revenue)	521.12	1146.69	1519.23
Net profit after tax	(312.27)	(184.17)	9.86
Amount of dividend paid for the FY	-	-	-
Rate of dividend declared	-	-	-
Foreign Investments or collaborations	As on 31.03.2024, investments made by the Company in its wholly owned subsidiary, M/s. Vama Technologies Pte. Ltd., Singapore stood at Rs. 4.93 lacs (after taking into account the Exchange rate fluctuations)		

II. INFORMATION ABOUT THE APPOINTEE			
Name	Mr. Vegesna Atchyuta Rama Raju		
Background Details	Mr. V. Atchyuta Rama Raju (61 years) is a commerce graduate and he is a Promoter of the Company. He takes personal interest in developing teams with a strong belief that ordinary people are capable of making things possible. As the Managing Director of the Company he carries the overall responsibility for the strategy and operations of IT business.		
Past remuneration (Rs per annum)	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22 (Rs. in lacs)</u>
	7.5	7.5	7.5
Recognition or awards	Nil		
Job profile and his suitability	As the Managing Director of the Company he handles the overall responsibility for the strategy and operations of IT Business and Communication. Laced with more than experience of 2 decades in Finance and Project Monitoring, Mr. V. Atchyuta Rama Raju is a good choice for reappointment to the office of Managing Director of the Company.		
Remuneration proposed	Rs.2.5 lacs per month.		

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.	Taking into consideration the size of the Company, the qualification and experience of Mr. V. Atchyuta Rama Raju and the profile being handled by him, the remuneration as mentioned above is on the conservative side as compared to the remuneration being paid to similar position in other Companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	In addition to the remuneration drawn by Mr. V. Atchyuta Rama Raju, he has indirect pecuniary relationship with the company during the FY 2023-24: Name: Mrs. V. Parvathi (Executive Director of the Company) Relation: Spouse Nature of Payment: Salary: Rs 2.28 Lacs for the FY 2023-24.

III. OTHER INFORMATION	
Reasons of loss or inadequacy of profits	The Company's business comprises of sales and services. Due to low margins at domestic level and uncertain global economy, the Company could not generate expected revenues and eventual profitability.
Steps taken or proposed to be taken for improvement	To overcome the present economic situation the Company has, inter alia, taken following steps: <ul style="list-style-type: none"> The Company has taken various initiatives to save on the cost so as to improve the profit margin. To undertake small projects with better cash flows. Improve execution skill sets.
Expected increase in productivity and profits	Riding on the recent supply order worth Rs.74.32 Crores from NewSpace India Limited (A CPSE under the department of space, Govt of India), it is expected that the Company's topline as well as the bottomline will improve in the ensuing years. However, the same cannot be ascertained in absolute terms.

By the Order of the Board
For Vama Industries Limited

Sd/-
V. Atchyuta Rama Raju
Chairman and Managing Director
DIN:00997493

Place: Hyderabad
Date: 21.08.2024

Directors' Report

Dear Members,

Your Board of Directors is pleased to present the Company's 39th Annual Report and the Company's Audited Financial Statement (Standalone & Consolidated) for the financial year ended March 31, 2024.

FINANCIAL PERFORMANCE

The Financial Results and performance of your Company for the year ended 31st March, 2024 on Standalone and Consolidated basis is summarized below:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	FY2023-24	FY2022-23	FY 2023-24	FY2022-23
Turnover	521.12	1146.69	568.41	1281.40
Other Income	5.49	161.30	5.49	223.66
Total Income	526.61	1307.99	573.90	1505.06
PBIDT	(264.59)	(23.45)	(95.08)	75.27
Less: (i) Interest	162.50	104.10	162.50	104.10
(ii) Depreciation	25.29	24.47	25.29	24.47
Profit Before Exceptional Items and Tax	(452.38)	(152.02)	(518.49)	(53.30)
Exceptional Item	159.12	-	159.12	-
Profit Before Tax	(293.26)	(152.02)	(359.37)	(53.30)
Less: Provision for Tax				
-Current	-	-		5.68
- Previous year's tax provision	-	63.62		63.62
-Deferred	19.01	(31.47)	19.01	(31.47)
Profit After Tax	(312.27)	(184.17)	(378.38)	(91.13)
Total Other Comprehensive Income	4.21	(2.54)	4.21	(2.54)
Total Comprehensive Income	(308.06)	(186.71)	(374.16)	(93.67)
Earnings Per share (EPS)	(0.59)	(0.35)	(0.72)	(0.17)

PERFORMANCE SUMMARY AND STATE OF AFFAIRS

As evident from the figures tabled above, FY 2023-24 witnessed a further unfortunate decline in terms of revenue and profitability. The saga of hardships in terms of shrinkage in orders, cash flows and funds flows and cascading pressure on employees payments, delayed statutory payments etc., continued during the FY 2023-24 as well. The relentless efforts of your management did not reflect in the financial performance of the Company.

Your Company reported a very mediocre performance for the FY2023-24, with a topline of Rs.521.12 lacs as against Rs.1146.69 lacs for the FY 2022-23 and a bottomline loss of Rs.312.27 lacs for the FY 2023-24 as against the loss of Rs.184.17 lacs for the FY 2022-23. Though the Company's performance was not at expected levels, your management deserves to be appreciated for their efforts towards company's sustainability in the long term. The perseverance of your management helped the Company secure a reasonably sized order, valued at Rs.74.32 Crores from NewSpace India Limited (A CPSE under the department of space, Govt of India).

As you are aware, our business depends largely on government orders, especially space and defence sectors, which were either deferred or could not be cleared on account of various reasons, beyond the control of your management.

A comparative analysis at Consolidated Level and at Standalone Level, year on year basis is hereunder:

Consolidated Level

As you are aware, we have a Wholly Owned Subsidiary in Singapore under the name and style "Vama Technologies Pte Ltd., (WOS) which had been contributing positively to the topline as well as to the bottomline of the Company at consolidated level till previous year. However, owing to change in governments policy as regards international trade / foreign payments, we are conducting most of our business through our Company itself and hence the contribution of our WOS to the consolidated performance may appear to be on the declining trend. However, our WOS will continue to play its supporting role in enhancing the business of our Company. At consolidated level, we have an operational income of Rs. 568.41 lacs for the FY 2023-24 as against Rs. 1281.40 lacs for the FY 2022-23. Similarly, we recorded a Loss of Rs.378.38 lacs for the FY 2023-24 as against a loss of Rs.91.13 lacs for the FY 2022-23.

Standalone Level

At Standalone Level, we have achieved an operational turnover of Rs.521.12 lacs and incurred a Net Loss of Rs.312.27 lacs for the FY 2023-24 as against an operational turnover of Rs.1146.69 lacs and a Net loss of Rs.184.17 lacs for the FY 2022-23.

We do not propose to transfer any amount to the Reserves for the current Financial Year.

Consolidated Financial Statement

In accordance with the provisions of the Companies Act, 2013 and applicable Accounting Standards and principles, the audited financial figures of our Wholly owned Subsidiary have been merged and consolidated with that of our Company and the audited consolidated Financial Statements are provided in the Annual Report.

Performance of Vama Technologies Pte Ltd., a WOS of the Company

(Rs. In Actuals)

Particulars	2023-24		2022-23	
	USD	INR	USD	INR
Revenue from operations	1,59,012	1,31,91,498	1,58,623	1,14,47,733
Profit/loss for the year after meeting all expenses before Interest, Depreciation & Tax)	(84,190)	(69,64,700)	99,802	(10,87,840)
Less: Interest Depreciation and other write off	-	-	--	--
Provision for Taxation	-	-	(6,912)	(89,585)
Net Profit/Loss	(84,190)	(69,64,700)	92,890	11,77,425

BUSINESS OPERATIONS AND OUTLOOK

VAMA is engaged in providing solutions to Space and Defense customers and also supporting Cloud Projects to niche clients. Further, VAMA has also been implementing projects all over India for Defense, Space, C-DAC, sectors and is taking up turnkey projects.

Further, your Company has also been supporting High Performing Computing Services and cloud services which are in high demand globally. With India becoming a dominant player in the Space sector, ISRO has been launching multiple satellites and the need for Data Centre infrastructure is increasing rapidly. ISRO is trying to increase its capacity to deliver by scaling up the frequency of launches by building more satellites and lowering the cost of access to space. VAMA is bidding for infrastructure projects. With the growth in Space and Defense sectors we are confident that we will continue to get opportunities to work on major turnkey projects.

VAMA has increased the sales and marketing activities for the international market especially for the Engineering Services and ITES business. Vama is working on IOT Projects and support services for IOT. We are confident that with the increase in sales and marketing activities, our domestic as well as international business will report better performance.

During the first quarter of the financial year 2024-25, the company has received the supply order worth Rs. 74.32 Crores from NewSpace India Limited (A CPSE under the department of space, Govt of India) which is very significant to us and sounds like a promising development for your company. Securing a significant supply order from a major client like NewSpace India Limited can indeed be a key driver for improved financial performance and growth. With the project duration of 26 weeks, it seems we have a clear timeline for expected revenue and progress. Overall, this order seems like a major step towards a healthier financial position for your company.

MATERIAL CHANGES AND COMMITMENTS

As mentioned above, during the first quarter of the financial year 2024-25, the company has received the supply order worth Rs. 74.32 Crores from NewSpace India Limited, having the potential of affecting the financial position of the Company in a major positive way. Save and except the said, there have been no material changes and commitments affecting the financial position of the company between the end of the financial year and the date of this report.

NATURE OF BUSINESS

There has been no change in the nature of business of your Company during the FY ended 31st March, 2024.

DIVIDEND

In view of the loss incurred for the FY 2023-24, your Board of directors do not recommend any dividend for the financial year under report.

Pursuant to Regulation 43A of SEBI (LODR) Regulations, 2015 we have framed a Dividend Distribution Policy and the same is annexed as '**Annexure X**' to this Report. The Dividend Distribution Policy is posted on the website of the Company and may be accessed at https://www.vamaind.com/Policies/Dividend_Distribution_Policy.pdf.

ISSUE AND ALLOTMENT OF SECURITIES / CHANGES IN SHARE CAPITAL

During the FY 2023-24, there was no change in the share capital of the Company. The Capital Structure, as on date, stands as follows:

- Authorised Capital: Rs.11 Crores
- Issued, subscribed and Paid-up Capital: Rs.10.51 Crores

SUBSIDIARY, JOINT VENTURES & ASSOCIATE COMPANIES

As you are aware, Vama Technologies Pte Ltd.,” the Wholly Owned Subsidiary in Singapore, is engaged in the business of Information Technology (IT) and IT enabled services. For the FY ended 31st March, 2024, it has recorded a turnover of USD 1.59 lacs.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of the Subsidiary in the prescribed format **AOC-1** is provided as **Annexure-I** to this Report. The statement also provides the details of performance, financial position of the said subsidiary.

Further, we undertake that the Annual Accounts of the subsidiary Company and the related detailed information will be made available to the shareholders of the Company and to the shareholders of the subsidiary company seeking such information at any point of time. Further, the Annual Accounts of the subsidiary Company shall also be kept for inspection by any shareholder at our Registered office and that of the subsidiary Company.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statement and related information of the Company and audited accounts of the subsidiary, are available on our website, www.vamaind.com.

The Company does not have any other subsidiary / wholly owned subsidiary apart from Vama Technologies Pte Ltd., which was incorporated in the FY 2016-17. Further, there were no instances of any new subsidiary / joint venture or associate Company becoming or ceasing to be as such during the year under review.

The policy on material subsidiaries as per SEBI (LODR) Regulations, 2015 as approved / reviewed by the Board is uploaded on the website of the Company and may be accessed at https://www.vamaind.com/Policies/Material_Subsiary_Determination_Policy.pdf

**Disclosure under Regulation 34(3) read with Schedule V of the Listing Regulations
Related Party disclosure as per Schedule V of the Listing Regulations**

Sl. No.	In the Accounts of	Particulars	Amount at the year ended 2023-24 (Rs. In lacs)	Maximum amount outstanding During the year 2023-24 (Rs. In lacs)
1	Vama Industries Limited (Holding Company)	Loans/advances to subsidiaries Vama Technologies Pte Ltd (Wholly owned subsidiary)	NIL	NIL
		Loans/advances to associates	NA	NA
		Loans/advances to firms/ companies in which Directors are interested	Nil	Nil
2	Vama Industries Limited (Holding Company)	Investment by the Loanee in the shares of parent company/ subsidiary company when the company has made a loan or advance	NA	NA

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, the following appointments / reappointments have taken place with the approval of shareholders in the previous AGM held on 30th October, 2023

- Ms. V. Parvathi (DIN: 01240583) was reappointed to the office of Whole-time Director of the Company (designated as Executive Director) for a period of 3 Years, effective 10.09.2023.
- In terms of Section 152 of the Companies Act, 2013, Mr. V. Atchyuta Rama Raju (DIN: 00997493) was reappointed to the office of Director.

Ms. Shilpa Kotagiri (DIN: 09245806) who was initially appointed as Additional Director (Independent category) effective 24th February, 2023, was appointed as an Independent Director of the company for a period of 5 years by the members through the process of Postal Ballot dated 19th April, 2023.

Ms. Archana Pabba was appointed to the office of Chief Financial officer of the Company effective 29th May, 2023 in place of Ms. Lakshmi Tejaswi who has resigned from the said office.

Further Ms. Vandana Modani (DIN: 09630896) was appointed as Additional Director (Non-Executive & Non-Independent category) effective 14th March, 2024 and Mr. Manish Kumar Shukla (DIN: 08520576) was appointed as Additional Director (Independent category) effective 10th May, 2024 subject to the approval of the members of the Company. Subsequently the said appointments were approved by the members through the process of postal ballot dated 10th May, 2024.

Mr. S.B.V. Subrahmanyam (DIN: 07483603) has resigned from his office of Independent Director effective 20.06.2024 due to pre-occupation and other commitments.

Further, based on the recommendation of Nomination and Remuneration Committee, Mr. V. Atchyuta Rama Raju (DIN: 00997493) was reappointed to the office of Managing Director of the Company for a period of 3 Years, at a remuneration of Rs.250,000 per month, effective 01.07.2024. The said appointed is proposed to the members for their approval. Corresponding resolution forms part of Notice.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. V. Parvathi (DIN: 01240583) retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received respective declarations from all its Independent Directors confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

Independent Directors of your company have duly met on 13th February, 2024 to discuss the performance of the Non-Independent Directors. All the independent Directors were present during the meeting.

In the opinion of the Board, all the Independent Directors of the Company possess integrity, expertise, and experience justifying their respective office.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, it is stated that

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any,
- b) 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, 2023-24 and of the profit of the company for that period;
- c) 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;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- 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.

COMPOSITION OF BOARD COMMITTEES

We have in place all the Committees of the Board which are required to be constituted under the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A detailed note on the Board and its committees is provided under the “Corporate Governance Report” section in this Annual Report.

Subsequent upon the changes that took place in the composition of the Board of Directors, the Board in its meeting held on 20th June, 2024 reconstituted the Composition of Audit Committee, Nomination and Remuneration committee and Stakeholders Relationship committee. As on the date of this Report, the composition of various Committees stands as hereunder:

Audit Committee

Ms. Jonnada Vaghira Kumari	–	Chairperson
Mr. Manish Kumar Shukla	–	Member
Ms. Shilpa Kotagiri	--	Member

Nomination and Remuneration Committee

Ms. Shilpa Kotagiri	–	Chairman
Ms. Jonnada Vaghira Kumari	–	Member
Mr. Manish Kumar Shukla	–	Member

Stakeholders Relationship Committee

Mr. Manish Kumar Shukla	–	Chairman
Ms. Jonnada Vaghira Kumari	–	Member
Ms. Shilpa Kotagiri	--	Member

Risk Management Committee

Ms. Jonnada Vaghira Kumari	–	Chairperson
Mr. V. Atchyuta Rama Raju	–	Member
Ms. V. Parvathi	–	Member

Further, we have in place a committee under the name and style “Internal Complaints Committee” which looks into various matters concerning harassment, if any, against women at workplace. Details of composition etc., of the said committee are provided in the section on Corporate Governance.

BOARD EVALUATION

In terms of the requirements of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and that of the Committees.

During the year, Board Evaluation process was conducted by the Company internally which included the evaluation of the Board as whole, Board Committees and peer evaluation of directors. While carrying out the evaluation process, industry practices are also examined and applied, to the extent feasible. Further, the Independent Directors carried out annual performance of the Chairman. The exercise was led by the chairman of Nomination and Remuneration Committee of the Company. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and its committees, experience and competencies, performance of special duties and obligations, governance issues etc. As an outcome of the exercise, it was noted that the Board as a whole is functioning as cohesive body which is well versed with different perspectives. Further, performance evaluation was also carried out for Ms. Vandana Modani, Mr. Manish Kumar Shukla & Ms. Shilpa Kotagiri, who were appointed / reappointed to their respective office of Non-Executive Independent Directors / Non-Executive Directors of the Company.

Further, performance evaluation was also carried out for Ms. V. Parvathi & Mr. V. Atchyuata Rama Raju who were appointed / reappointed to the respective offices of Director & Managing Director of the Company.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION ETC.,

We have devised the following policies, which are attached herewith and marked as **Annexure – VIII and IX** respectively:

- a. Policy for selection of Directors and determining Directors Independence; and evaluation mechanism.
- b. Remuneration Policy for Directors, Key managerial Personnel and other employees.

The aforesaid policies are uploaded on the website of the Company and may be accessed at

- i. https://www.vamaind.com/Policies/Policy_for_Selection_of_Directors.pdf and
- ii. https://www.vamaind.com/Policies/Remuneration_Policy.pdf

MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, the Board meetings were scheduled at regular intervals to discuss and decide on business performance, policies, strategies and other matters of significance.

The Board duly met 09 times during the Financial Year 2023-24 i.e. 19th April, 2023, 29th May, 2023, 14th August, 2023, 22nd August, 2023, 25th September, 2023, 02nd October 2023, 14th November 2023, 13th February 2024 and 14th March 2024. The intervening gap between any two consecutive Board Meetings was within the period prescribed under the provisions of the Companies Act, 2013.

Detailed information regarding the meetings of the Board, Committees, Director's attendance etc., is provided in the report on Corporate Governance, which forms part of the Board's Report.

RISK MANAGEMENT

We have a Risk Management Committee and a Risk Management Policy in accordance with Companies Act 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in place, to frame, implement and monitor the risk management plan and ensuring its effectiveness. The Committee's primary role is to identify potential risks, develop compatible Risk Management Systems and framework or modify the existing ones to make the same adaptable and to mitigate the risk appropriately.

We have been following the principle of risk minimization vis a vis our business needs and the industry norms.

Further, it is entrusted with the responsibility to assist the Board in (a) overseeing and approving the Company's enterprise wide risk management framework and (b) overseeing that all the risks that the organization faces such as financial, liquidity, security, property, IT, legal, regulatory, reputational and other risks that have been identified and assessed.

The details of the Committee and its terms of reference are set out in the Corporate Governance Report attached herewith. Our Risk Management Policy may be accessed at: https://www.vamaind.com/Policies/Risk_Management_Policy.pdf

INTERNAL FINANCIAL CONTROL SYSTEMS

We have developed and designed our Internal Financial Control Systems on par with Industry standards. We have adopted policies and procedures which enables implementation of appropriate internal financial controls across the organization at all key levels. This ensures orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of assets, prevention and detection of fraud, error reporting mechanism, accuracy and completeness of the accounting records,

and timely preparation of reliable financial disclosures. Internal Financial Controls are an integral part of the Risk Management Process, addressing financial and financial reporting risks. The Internal Financial Controls have been documented, digitized and embedded in the business process.

We conduct regular management reviews in order to ascertain the effectiveness of our Internal Financial Controls. Further, it is also obtained through our management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the Internal Financial Control systems by the Internal Auditors during the course of audits. We believe that these systems provide reasonable assurance that our Internal Financial Controls are commensurate with the requirements of our organization.

AUDITORS

Statutory Auditors:

M/s. P. Suryanarayana & Co., Chartered Accountants (Firm Registration Number: 009288S) who were appointed as the Statutory Auditors of the Company at the 37th Annual General Meeting held on 30th September, 2022 for a period of 5 years shall continue to hold their office as such till the conclusion of 42nd Annual General Meeting. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

Auditors Observation(s) & reply thereto:

As regards the observation made by the Auditor's vide their Report, at para 14 thereto, we assure and confirm that principles and features of Audit trail has been adopted and complied in letter and spirit. The accounting software package used by the Company has all the said features, as compatible with audit trail. It operated throughout the year and there was no instance of any tampering thereto.

As regards the variation(s) reported between the bank statements and the books of account in respect of trade receivables and inventory, (para ii in the **Annexure B** to the Report), we note that the same being statement of facts does not need any further explanation.

As regards the reported delays in depositing undisputed statutory dues, (para vii in the **Annexure B** to the Report) we would like to mention that the irregularity and the delays were caused purely on account of liquidity crisis and funds flow arising out of various reasons beyond the control of management. We are in the process of making the pending payments.

As regards the observations made at para ix in the **Annexure B** to the Report, we note that the same being statement of facts does not need any further explanation.

Further the Notes on Financial Statements referred in the Auditors Report are self-explanatory and do not call for any further comments.

Internal Auditors:

The Board of Directors, based on the recommendations of the Audit Committee has reappointed Mr. Goda Sreenivasa Karthik Siva Charan, Chartered Accountant (M.No. 243653) as the Internal Auditor of the Company. The Internal Auditor submit his Report on quarterly basis and the same is placed in the respective Meetings of the Audit Committee and that of the Board of Directors.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Sravanthi Gadiyaram, Practicing Company Secretary (ACS No. 25754 and C.P No. 25597) to undertake the Secretarial Audit of the Company for the FY 2023-24.

The copy of Secretarial Audit Report, is attached herewith and marked as **Annexure –III**.

Observation(s) & reply thereto:

Auditor's Observations	Director's Explanation
<p>1. Delay in filing of Shareholding pattern as required under Regulation 31(1)(b) of SEBI (LODR) Regulations, 2015 and Reconciliation of share capital audit report under Regulation 76(1) of the SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended 30th June, 2023.</p>	<p>The said delays occurred on account of non-receipt of BENPOS from the Depositories within the prescribed time which in turn was caused due to delay in payment of Annual Issuer fees to the said Depositories by the Company. On receipt of Benpos, the Company has made the Compliance of the said regulations.</p> <p>The fine as proposed by the BSE was paid by the Company.</p> <p>Due care shall be taken to be more agile and vigilant.</p>
<p>2. As regards delay in filings of forms / returns with MCA and Reports with STPI</p>	<p>We would like to clarify that the instances of delay reported by the Secretarial Auditor were clerical in nature and are self-explanatory. In view of the said, no further explanation is being provided thereon. The management shall ensure that such delays are not repeated in the future.</p>

REPORTING OF FRAUDS

During the year under review, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and the rules made there under.

COST RECORDS:

We confirm that the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 and hence accounts and records related thereto are not required to be made or maintained.

SECRETARIAL STANDARDS:

We confirm that applicable secretarial standards i.e., SS-1 and SS-2 relating to 'Meeting of the Board of Directors' and 'General Meetings' respectively, have been duly complied by the Company.

CONTRACTS OR AGREEMENTS WITH RELATED PARTIES

During the FY 2023-24, the contracts / agreements / transactions entered by the Company with its related party (ies) was / were in its ordinary course of business and on arm's length basis.

We have not entered into any transactions with any related party other than with our Wholly owned subsidiary "Vama Technologies Pte Ltd". All the transactions during the year were conducted on arm's length basis without any element of risk as to potential conflict of interest with that of the Company at large. During the year, we have not entered into any contract / arrangement / transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions and there were no materially significant related party transactions which could have potential conflict of interest with that of the Company at large.

Members may refer Note 2.42 to the standalone financial statements which sets out related party disclosure pursuant to Ind-AS. The policy on Materiality of Related Party Transactions may be accessed on the Company's website https://www.vamaind.com/Policies/Related_Party_Transactions_Policy.pdf

However, pursuant to the applicable provisions of the Companies Act, 2013, the prescribed details of the aforesaid Related Party Transactions are provided in Form No. AOC -2 annexed herewith and marked as **Annexure –II**.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO IEPF

Pursuant to the provisions of Section 205C of the Companies Act, 1956 and Section 124(5) of the Companies Act, 2013, any dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account needs to be transferred to the Investor Education and Protection Fund (IEPF), established by the Central Government. During the FY 2023-24, the unclaimed dividend in respect of financial year 2015-16 amounting to Rs. 11,390 (Rupees Eleven Thousand Three Hundred and Ninety only) has been transferred to IEPF by the Company.

The details related to dividend remaining unpaid (out of the dividend declared during the last 7 years) till date may be accessed on our website, www.vamaind.com.

TRANSFER OF SHARES TO IEPF

The IEPF Rules mandate Companies to transfer shares of members whose dividends remain unpaid / unclaimed for a continuous period of 7 years to the Account of IEPF Authority. The members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority.

The details of shares transferred to the Investor Education and Protection Fund (IEPF), in terms of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, may be accessed on our website, www.vamaind.com. The Company has appointed a Nodal officer under the provisions of IEPF, the details of which are available on the website of the Company <https://vamaind.com/investor-contact.html>.

Information in respect of unclaimed dividend and due dates for transfer to the IEPF are given below:

Sl. No.	For the Financial year	Percentage of Dividend	Date of Declaration	Due date for transfer to IEPF
1.	2016-17(Final)	5	25.09.2017	27.11.2024
2.	2017-18(Final)	5	26.09.2018	28.11.2025
3.	2018-19(Final)	1	25.09.2019	27.11.2026
4.	2019-20(Final)	Nil	NA	NA
5.	2020-21(Final)	Nil	NA	NA
6.	2021-22(Final)	Nil	NA	NA
7.	2022-23(Final)	Nil	NA	NA
8.	2023-24(Final)	Nil	NA	NA

INSURANCE

All properties and insurable interests of the Company have been fully insured.

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016.

No corporate insolvency resolution processes were initiated against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

DETAILS OF DIFFERENCE BETWEEN THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH REASONS THEREOF

Not applicable (As there were no instances of one-time settlement with the Banks or financial institutions during the year under review)

QUALITY INITIATIVES

We continue to maintain successfully the following ISO Certifications during the year.

- ISO 27001: 2022 – Information Security Management System
- ISO 20000-1: 2018 – IT Service Management System
- ISO 9001: 2015 – Quality Management System

FIXED DEPOSITS

We have neither accepted nor repaid any deposits during the FY ended 31st March, 2024. Further, there were no outstanding deposits as at the beginning of the FY or at any time during the FY 2024. Hence, there are no details to be provided pursuant to Rule 8 (5) (v) & (vi) of Companies (Accounts) Rules, 2014.

Further, the details of unsecured loans borrowed from Director during the FY ended 31st March, 2024 and / or outstanding as on the said date are as hereunder:

Sl.No	Name	Borrowings during the Year (Rs. In lacs)	Repayment during the Year (Rs. In lacs)	Amt. outstanding as on 31st March, 2024 (Rs. In lacs)
1.	Mr. V. Atchyuta Rama Raju	134.25	0	134.25

Further, Mr. V. Atchyuta Rama Raju has provided declaration in writing that the amounts lent by him are his own funds and not been given out of funds acquired by him by borrowing or accepting loans or deposits from others.

ANNUAL RETURN

In accordance with Section 134 (3) (a) of the Companies Act, 2013, a copy of Annual Return in the prescribed format i.e. Form MGT -7 along with attachments is placed on the website of the Company, https://www.vamaind.com/Annual_Report/Annual_Return_FY_2023_24.pdf

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the provisions of Section 177 of the Companies Act, 2013 and Regulation 2 of SEBI (LODR) Regulations, 2015, the Company has formalized the process and implemented 'Whistle Blower Policy' within the Company, whereby employees and other stakeholders can report matters such as generic grievances, corruption, misconduct, illegality and wastage/ misappropriation of assets to the Company.

The policy safeguards the whistle blowers to report concerns or grievances and also provides direct access to the Chairman of the Audit Committee.

The details of the vigil mechanism are provided in the Corporate Governance Report and are set out in **Annexure XI** to this Report. The Vigil Mechanism and Whistle Blower Policy may be accessed on our website at the link: https://www.vamaind.com/Policies/Vigil_Mechanism_Whistle_Blower_Policy.pdf

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with the provisions of SEBI (LODR) Regulations, 2015, a Report on the Management Discussion and Analysis is set out in **Annexure-V**, attached to this Report.

CORPORATE GOVERNANCE

Over the period of time the practices and principles of good Corporate Governance has become the culture cutting across our organization. We have been making every endeavor to bring more and more transparency in the conduct of our Company's business. We have set highest standards as our benchmarks, which are reviewed and evaluated on a continuous basis. As per the requirements of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance for the year 2023-24 and a certificate from Ms. Sravanthi Gadiyaram, Practicing Company Secretary (ACS No. 25754 and C.P No. 25597), is furnished which forms part of this Annual Report as **Annexure-VII**.

A certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, etc., forms part of the Annual Report.

DISPATCH OF ANNUAL REPORTS

In compliance with the applicable provisions, we shall dispatch the Annual Report for the FY 2023-24 in electronic format to all the members whose e-mail addresses are registered and updated with our Registrar & Transfer Agents.

LISTING & TRADING

Our Equity Shares are listed on BSE Limited, Mumbai. The listing fee for the FY 2024-25 has been duly paid. You may further note that the listing/ trading was never suspended at any time during the financial year 2023-24.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended in respect of our employees, is attached herewith and marked as **Annexure – VI (i)**.

We do hereby affirm that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Further, we do not have any employee whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2)(i) & (ii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended i.e. Rs.8.5 lacs per month or Rs.1.02 Crores per annum as the case may be.

Further, details of top ten employees in terms of remuneration drawn during the financial year ended 31st March, 2024 as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended is attached herewith and marked as **Annexure- VI (ii)**.

LOANS, GUARANTEES OR INVESTMENTS

As you are aware, we have a Wholly Owned Subsidiary (VAMA Technologies Pte. Ltd. wherein we have made an aggregate investment of Rs.3,89,040 (equivalent to 6000 USD), currently standing at Rs.4.93 lacs, owing to exchange fluctuations, towards subscription of 8680 equity shares, i.e., 100% stake.

Apart from the aforesaid, we have not given any loan or made new investment or given guarantee or provided security as contemplated under Section 186 of the Act.

DEMATERIALIZATION OF SHARES

99.82% of the total paid up equity shares of our Company are in dematerialized form as on 31st March, 2024.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no orders passed by the Regulators / Courts which would impact the going concern status of our Company and its future operations.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE:

We strongly support the rights of all our employees to work in harassment – free environment. We have adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”) and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure.

Further, we have in place a committee under the name and style “Internal Complaints Committee” in compliance of POSH Act, which looks into various matters concerning harassment, if any, against women at workplace, addresses concerns and complaints of sexual harassment and recommends appropriate action. Details of composition etc., of the said committee are provided in the section on Corporate Governance.

We further confirm that during the year under review, there were no cases filed pursuant to the said Act.

CORPORATE SOCIAL RESPONSIBILITY

Since our Company does not fall within any of the parameters specified under the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder, reporting pursuant to Section 134(3) (o) is Not Applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Particulars as prescribed pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, are provided in **Annexure – IV** to this Report.

ACKNOWLEDGEMENTS AND APPRECIATIONS

We strongly believe that employees are the back-bone of any organization, especially in case of our Company which operates in the field of technology. We would like to place our deep appreciation for the services rendered by our employees, who have proved their indispensable position in the Company. The management shall be ever indebted to them. Further, we also express our sincere appreciation towards all our customers, suppliers, banks, advisors, Government of India and Government Departments, concerned State Governments and other authorities for their sustained support and co-operation, helping the Company with stand turbulent times.

Further, we shall be ever indebted to all our shareholders and other stakeholders for their trust and cooperation in our management, our Board of Directors and our Company.

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju
Chairman and Managing Director
DIN:00997493

Place: Hyderabad

Date:21.08.2024

Form AOC-1

(Pursuant to section 129 (3) read with Rule 5 of Companies (Accounts) Rules), 2014

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

(Amount In Lakhs)

Sl.No	Particulars	
1.	Name of the subsidiary	Vama Technologies Pte. Ltd
2.	The date since when subsidiary was acquired	23.05.2016
3.	Reporting Period of subsidiary	01.04.2023 to 31.03.2024
4.	Reporting Currency	USD
	Exchange rate used for conversion	
	i. as on the last date of FY (for Balance Sheet items)	Rs. 83.35 per USD
	ii. average yearly rate for P & L items	Rs. 82.69 per USD
5.	Share Capital	Rs. 4.93
6.	Reserves & Surplus	Rs. 224.00 (Retained Earnings)
7.	Total Assets	Rs. 272.20
8.	Total Liabilities	Rs. 272.20
9.	Investment	Nil
10.	Turnover	Rs. 131.91
11.	Profit/(Loss) before taxation	Rs. (69.65)
12.	Provision for taxation	Nil
13.	Profit/(Loss) after taxation	Rs. (69.65)
14.	Proposed Dividend	Nil
15.	Extent of Shareholding	100 %

Notes:

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B" Associates and Joint Ventures – Not Applicable

For and on behalf of the Board of Directors

Sd/-
V Atchyuta Rama Raju
 Chairman & Managing Director
 (DIN: 00997493)

Sd/-
V. Parvathi
 Executive Director
 (DIN: 07098278)

Place: Hyderabad
 Date: 29.05.2024

Sd/-
Archana Pabba
 Chief Financial Officer

Sd/-
K. Bharath Kumar
 Company Secretary

Form AOC-2

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

Particulars for 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 length transaction under third proviso to thereto.

Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the financial year ended March, 2024, which were not at arm's length basis.

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

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March, 2024 are as follows:

SL. No.	Particulars	Details
1.	Name (s) of the related party & Nature of relationship	Vama Technologies Pte. Ltd., (Wholly Owned subsidiary)
2.	Nature of contracts/ arrangements/ transactions	Consultancy Service
3.	Duration of the contracts/ arrangements/ transaction	1 year
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Consultancy Service agreement for a maximum value of Rs.1 Crore
5.	Date of approval by the Board, if any	19.04.2023
6.	Amount paid as advances, if any	Nil

For and on behalf of the Board

Sd/
V. Atchyuta Rama Raju
Chairman and Managing Director
DIN:00997493

Place: Hyderabad
Date: 21.08.2024

FORM NO: MR-3
SECRETARIAL AUDIT
REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Vama Industries Limited,
Door No. 8-2-248/1/7/78/12,13, Ground Floor,
Block-A, Lakshmi Towers,
Nagarjuna Hills, Punjagutta
Hyderabad-500082

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VAMA INDUSTRIES LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes 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, I, hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by Vama Industries Limited ("the Company") and made available to me for the financial year ended on 31st March, 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 (FDI) and Overseas Direct Investment (ODI). However, during the year under audit there were no instances of any new FDI into the Company or any new ODI by the Company. The Company does not have transaction pertaining to External Commercial Borrowing. However, the Company has received advances from its foreign Wholly Owned Subsidiary.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period);**

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;**(Not applicable to the Company during the audit period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable the Company during the audit period)**
- (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, 2021;**(Not applicable to the Company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;**(Not applicable to the Company during the audit period); and**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except in respect of matters specified below:

- *There were few instances where the Company filed forms and returns required to be filed with the Registrar of Companies with additional fee.*
- *There was delay in filing Shareholding pattern as required under Regulation 31(1)(b) of SEBI (LODR) Regulations, 2015 and Reconciliation of share capital audit report under Regulation 76(1) of the SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended 30th June, 2023.*

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied the following laws applicable specifically to the Company:

- a) Software Technologies Parks of India rules and regulations
However, there was delay in filing of Monthly Performance Reports / Annual Performance Reports with the Software Technology Park of India in certain cases.
- b) Information Technology Act, 2000 and the rules made thereunder;
- c) The Trade Marks Act, 1999.
- d) Telangana Shops and establishments Act- 1988& Rules 1990
- e) Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act 2013

I further report that examination / audit of financial laws such as direct and indirect tax laws, labour laws has not been carried out by me as part of this Secretarial Audit.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women 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 accordance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, (and with the consent of all the Directors in case of shorter notice) 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and there were no dissenting views to be recorded as such.

I further report that as per the information provided by the management, and based on the review of compliance reports by the respective department / functional heads, duly taken on record by the Board of Directors of the Company, 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

During the audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

Sd/-

Sravanthi G

M. No. 25754

C.P. No.25597

PR No: 4010/2023

UDIN: A025754F001013400

Place: Chennai

Date: 21.08.2024

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

To,
The Members,
Vama Industries Limited,
Door No. 8-2-248/1/7/78/12,13, Ground Floor,
Block-A, Lakshmi Towers,
Nagarjuna Hills, Punjagutta
Hyderabad-500082

Secretarial Audit Report of even date is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. 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.
3. I have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
4. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
5. I believe that audit evidence and information provided by the Company's management is adequate and appropriate for me to provide a basis for my opinion.
6. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
7. I have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer

8. 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.

Sd/-
Sravanthi G
M. No. 25754
C.P. No.25597
PR No: 4010/2023
UDIN: A025754F001013400

Place: Chennai
Date: 21.08.2024

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO:

Particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:

A. Conservation of Energy: Not Applicable

- i. the steps taken or impact on conservation of energy;
- ii. the steps taken by the company for utilizing alternate sources of energy;
- iii. the capital investment on energy conservation equipment's;

B. Technology Absorption: Not Applicable

- i. the efforts made towards technology absorption;
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution;
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development.

C. Foreign Exchange Inflow and Outflow during the year (Rs. In lacs)

- | | | | |
|-----|-------------------------|---|----------------|
| i. | Foreign Exchange Earned | : | Rs.338.73 Lacs |
| ii. | Foreign Exchange Outgo | : | Nil |

For and on behalf of the Board

Sd/-
V. Atchyuta Rama Raju
Chairman and Managing Director
DIN:00997493

Place: Hyderabad
Date: 21.08.2024

Management Discussion and Analysis Report

Competitive position of the Company

(a) Industry structure and developments

It is said “Revolution happens with every blink of an eye.” The Technology Industry stands testimony to this statement. Change has become the order of the day in the case of Technology Industry. The latest edition being, the Fourth Industrial Revolution which is nothing but an automation of traditional manufacturing and industrial practices, using smart technology. Large-scale machine-to-machine communication (M2M) and the internet of things (IoT) are integrated for increased automation, improved communication and self-monitoring, and production of smart machines that can analyze and diagnose issues without the need for human intervention.

Robotics, artificial intelligence, nanotechnology, quantum computing, biotechnology, internet of things, industrial internet of things, are going to play a deciding role in the decision making process in any walk of life for that matter.

There are four design principles identified as integral to the Fourth Industrial Revolution, which is commonly known as “industry 4.0”:

- Interconnection — the ability of machines, devices, sensors, and people to connect and communicate with each other via the Internet of things, or the internet of people (IoP)
- Information transparency — the transparency offered by Industry 4.0 technology provides operators with comprehensive information to inform decisions. Inter-connectivity allows operators to collect immense amounts of data and information from all points in the manufacturing process, identify key areas that can benefit from improvement to increase functionality.
- Technical assistance — the technological facility of systems to assist humans in decision-making and problem-solving, and the ability to help humans with difficult or unsafe tasks
- Decentralized decisions — the ability of cyber physical systems to make decisions on their own and to perform their tasks as autonomously as possible. Only in the case of exceptions, interference, or conflicting goals, are tasks delegated to a higher level.

The industry 4.0 has sweeping presence in the day to day functioning of our society. A close look into this aspect reveals the following examples:

- 3D printing
- Mobile devices
- Location detection technologies
- Advanced human-machine interfaces
- Authentication and fraud detection
- Smart sensors
- Internet of things (IoT) platforms
- Big analytics and advanced processes
- Customer interactions and customer profiling

Mainly these technologies can be summarized into four major components, defining the term “Industry 4.0” or “smartfactory”:

- Cyber-physical systems
- IoT
- On-demand availability of computer system resources
- Cognitive computing

Biggest trends

In essence, the Fourth Industrial Revolution is the trend towards automation and data exchange in manufacturing technologies and processes which include cyber-physical systems (CPS), IoT, industrial internet of things, cloud computing, cognitive computing, and artificial intelligence.

Smart factory

The Fourth Industrial Revolution fosters what has been called a “smart factory”. Within modular structured smart factories, cyber-physical systems monitor physical processes, create a virtual copy of the physical world and make decentralized decisions.

Predictive maintenance

Predictive maintenance –can identify maintenance issues in live – allows machine owners to perform cost-effective maintenance and determine it ahead of time before the machinery fails or gets damaged. This helps in addressing the issue in advance and better preparedness on the part of the users. For example, a manufacturer or a maintenance firm in India can track and map if a particular machinery, under his radar, is operating beyond the specified parameters which may hamper its normal functioning and thus need to be addressed accordingly.

Smart sensors

Sensors and instrumentation drive the central forces of innovation, not only for Industry 4.0, but also for other “smart” megatrends, such as smart production, smart mobility, smart homes, smart cities and smart factories.

Smart sensors are devices, which generate the data and allow further functionality from self-monitoring and self-configuration to condition monitoring of complex processes. With the capability of wireless communication, they reduce installation effort to a great extent and help realize a dense array of sensors.

The importance of sensors, measurement science, and smart evaluation for Industry 4.0 has been recognized and acknowledged by various experts and has already led to the statement “Industry 4.0: nothing goes without sensor systems”

However, there are few issues, such as time synchronization error, data loss, and dealing with large amounts of harvested data, which limit the implementation of full-fledged systems. Moreover, additional limits on these functionalities represent the battery power. One example of the integration of smart sensors in the electronic devices, is the case of smart watches, where sensors receive the data from the movement of the user, process the data and as a result, provide the user with the information about how many steps they have walked in a day and also converts the data into calories burned.

Source : Wikipedia

Adopting changing requirements with flexibility is a guidepost for Industry 4.0. The next wave, Industry 5.0, has also emerged recently. Industry 5.0 has a more collaborative approach than Industry 4.0, including even more collaboration between humans and robots.

While the theme of Industry 4.0 revolves around connectivity through cyber-physical systems, Industry 5.0—while also aligned with platforms made possible by Industry 4.0—also addresses the relationship between “man and machine,” otherwise known as robots or cobots. Industry 4.0 laid the groundwork for human/machine collaboration, as well as machine-to-machine collaboration and connectivity between the plant, logistics, supply chain management, and the end user. Digital integration now promises to connect all stakeholders under a common platform.

In addition to these pieces, Industry 5.0 integrates human creativity and robotic precision, working toward a unique solution that will be the demand of the next decade. Together, Industry 4.0 and 5.0 have created a roadmap that industries must follow in order to endure.

Industry 4.0 and 5.0 both address basic considerations:

- Cyber-physical systems that connect the world
- New technology-driven approach
- Digital twins
- Asset performance management
- Product life cycle management
- IIoT-driven total automation
- Man/machine collaboration
- Digital transformation
- Cybersecurity

(b) Opportunities and Threats.

Opportunities and Threats are two sides of the same coin. The said two facets co-exists in every walk of our life. This assumes further significance in this hyper dynamic world of innovations and growing complexities that we keep pace with our business competitors.

Whether the entity is large, whether it is medium or if it is small, every entity is a competitor to the other, irrespective of its size, its standing and its strengths. Large entities face structural problems whereas small entities face existential challenges. In the specific case of an IT services company, procuring new customers is significant for its very survival. Considering the fact that IT consulting firms primarily work on a contract basis, it is always important for them to focus on gaining new clients.

A contract isn't permanent. Because of this, while working with one or more clients, efforts are always being put into finding new ones, which can become quite a nerve-racking effort.

Threat of new entrants looms large on the IT industry. However, small-to-medium consulting services firms are challenging the bigger, more established firms with their ability to innovate and their agile pricing and service models.

The enablers and drivers of growth of the IT consulting industry have been several. First, innovation in frameworks and methodologies along with trained professionals have provided value-added services uniquely available from the consulting firm. Novelty and complexity have been a second driver.

Further, any outbreak of mass epidemic, like the Covid-19 or outbreak of war, like the Russia- Ukraine war may force the business entities to suspend and re-strategise their business policies.

(c) Segment-wise or product-wise performance

Company Performance Highlights:

- ISO 9001: 2015 – Quality Management System
- ISO 20000-1: 2018 – IT Service Management System
- ISO 27001:2022 - Information Security Management System
- Registered with National Small Industries Corporation (NSIC)
- Registered with Software Technology Park of India (STPI)
- Registered with Micro, Small & Medium Enterprises (MSME)

Business Operations:

- IT Services and Consulting
- Engineering Services
- IT Infrastructure Solutions

- Internet of Things
- Cloud Technologies and Openstack Cloud Projects
- BI and Analytics
- Manual and Automation Testing
- Software Development
- Database Services
- CAD and Engineering Data Management
- Product Design and Development
- Product Sales and Support
- Data Center Implementation
- High Performance Computing (HPC)
- Remote Infrastructure Management Services
- IT Infrastructure Consulting
- Infrastructure Management Services
- IOT Machine to Machine Communication Projects
- Engineering Product Design Projects

Segment-wise performance:

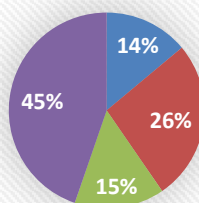
The Company's operations may be clubbed together under one operating segment, i.e., IT related services. Thus it becomes the reportable segment for the Company. The Company's business operations are divided into following heads and the revenue generated from each head is indicated below:

Standalone basis

(Rs. In Lakhs)

Revenue	2023-24	2022-23
Sale of Goods – Computers & Peripherals / Software	79.18	738.31
Annual Maintenance Contract Service	103.20	185.96
Consultancy Services	84.62	27.21
IT Engineering Services	254.12	195.21
Total Revenue	521.12	1,146.69

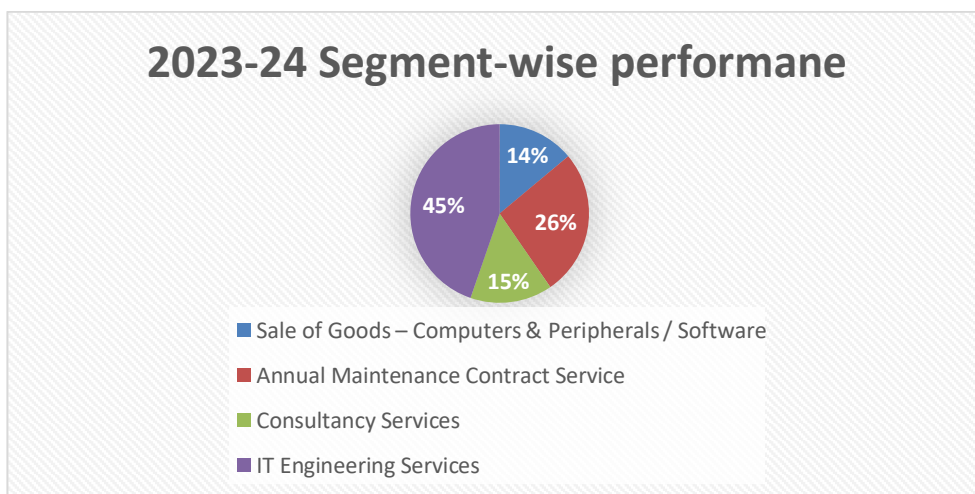
2023-24 Segment-wise performane



- Sale of Goods – Computers & Peripherals / Software
- Annual Maintenance Contract Service
- Consultancy Services
- IT Engineering Services

Consolidated Basis:
(in Lakhs)

Revenue	2023-24	2022-23
Sale of Goods – Computers & Peripherals / Software	79.18	738.31
Annual Maintenance Contract Service	150.49	320.67
Consultancy Services	84.62	27.21
IT Engineering Services	254.12	195.21
Total Revenue	568.41	1,281.40


(d) Outlook

VAMA is engaged in providing solutions to Space and Defense customers and also supporting Cloud Projects to niche clients. Further, VAMA has also been implementing projects all over India for Defense, Space, C-DAC, sectors and is taking up turnkey projects.

Further, your Company has also been supporting High Performing Computing Services and cloud services which are in high demand globally. With India becoming a dominant player in the Space sector, ISRO has been launching multiple satellites and the need for Data Centre infrastructure is increasing rapidly. ISRO is trying to increase its capacity to deliver by scaling up the frequency of launches by building more satellites and lowering the cost of access to space. VAMA is bidding for infrastructure projects. With the growth in Space and Defense sectors we are confident that we will continue to get opportunities to work on major turnkey projects.

VAMA has increased the sales and marketing activities for the international market especially for the Engineering Services and ITES business. Vama is working on IOT Projects and support services for IOT. We are confident that with the increase in sales and marketing activities, our domestic as well as international business will report better performance.

(e) **Risks and concerns**

- To manage data confidentiality
- To curb data breaches
- To retain good talent and contain attrition among employees
- To adapt to rapid technological changes and innovations
- Cost competitiveness
- To address and arrest assaults on internet infrastructure by hackers
- Government policies and priorities
- Fiscal policies and Industrial policies
- Force majeure events and circumstances
- The pandemics and wars
- Political unrest within the country and in the countries, where the Company trades
- Economy collapses in nations, where India a trade partner

(f) **Internal control systems and their adequacy**

The Company has adopted Internal control systems that are adequate and commensurate with its operations. The systems have been designed to ensure that assets and interest of the Company are protected and dependability of accounting data and its accuracy are ensured with proper checks and balances. The Internal Financial Controls have been documented, digitized and embedded in the business process.

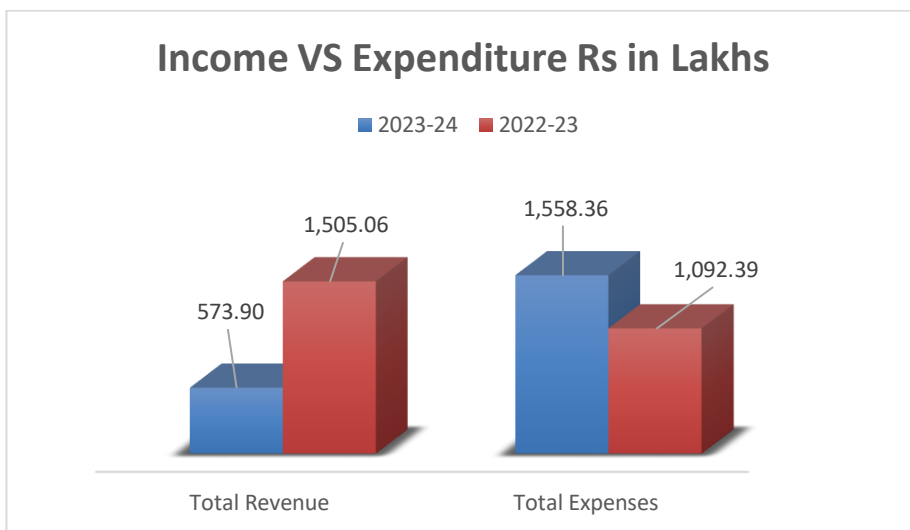
Senior level management reviews are conducted in order to ascertain the effectiveness of the Internal Financial Controls. Further, it is also obtained through our management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the Internal Financial Control systems by the Internal Auditor during the course of audits. We believe that these systems provide reasonable assurance that our Internal Financial Controls are commensurate with the requirements of our organization.

(g) **Discussion on financial performance with respect to operational performance**

(Rs in Lakhs)

INCOME	2023-24	2022-23
Export Revenue		
IT Services	301.41	329.92
Sales of computers & Peripherals	-	-
Domestic Revenue		
Services / Consultancy / Projects	187.82	213.17
Sales of computers & Peripherals	79.18	738.31
Other Income	5.49	223.66
Total Revenue	573.90	1,505.06

EXPENDITURE	2023-24	2022-23
Material Consumed	191.98	921.18
Changes in Inventories	110.83	3.23
Employee Benefit Expenses	191.44	182.03
Finance Cost	163.94	123.91
Depreciation and Amortisation Expenses	25.29	24.47
Other Expenses	408.91	303.54
Total Expenditure	1092.39	1,558.36



(h) Material developments in Human Resources / Industrial Relations front, including number of people employed.

It is a universally accepted fact that, retaining good talent pool is the biggest challenge in the technology sector. Attrition among employees, especially at entry level is usually higher than other sectors. Employees have the generally tendency to shift their jobs and job profiles in pursuit of higher ambitions. Commensurate compensation packages is a related challenge in this Industry, driven by higher demands for good talent.

Our pro-human resources policy helps us in mitigating the employee attrition rate and maintain cordial relations across the organization. Further, our human resource strategy has enabled us to attract, integrate, develop and retain the best talent required for driving business growth.

No. of Employees

Sr.No	Category	Number of employees as on 31.03.2024
1	*Executive Directors	2
2	Key Managerial Personnel (KMP)	2
3	Other employees	31
	Total	35

*V. Atchyuta Rama Raju is the Managing Director of the Company and also designated as KMP but counted under the category of "Executive Director" only.

(i) Details of significant changes (as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

On Standalone basis:

Ratio	Current Period	Previous Period	Explanation
Current Ratio	2.24	2.70	On account of significant decrease in Borrowings, consequently decrease in Current Liabilities
Debt Equity	0.14	0.36	On account of significant decrease in Borrowings i.e. repayment by the company
DSCR	(8.98)	(0.25)	On account of principal repayment and decrease in borrowings.
Return on Equity	(0.18)	(0.09)	ROE decreased due to decrease in the net income of the company.
Inventory Turnover Ratio	0.38	0.80	The Inventory Turnover Ratio decreased from 1.07 (previous year) to 0.80 (current period). This suggests a slower inventory turnover rate, due to decrease in turnover and purchase of inventory in anticipation of demand.
Trade Receivables Turn Over	1.22	1.02	Nil
Trade Payables Turn Over	1.62	1.09	This indicates an improvement in the rate at which the company settles its trade payables.
Net Capital Turn Over	0.41	0.72	On account change in the working capital, but company is able to maintain Turnover.
Net Profit Ratio	-86.81 %	-16.06 %	On account of increase in Direct Expenses, Other Overheads, consequently decrease in profit.
Return on Capital Employed	-35.60 %	-9.27 %	Due to reduce in the Profitability the ROCE is decreased.
Return on Investment	-25.68 %	-7.80 %	On account of increase in Direct Expenses, Other Overheads, consequently decrease in profit.

(j) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

On standalone basis, the Company earned a Net Loss of Rs.312.27 lacs for the FY 2023-24. Thus, the Return on Net Worth for the said FY stands at (0.18). However, for the FY 2022-23, the Company earned a Net loss of Rs.184.17 lacs. Thus, reporting a negative Return on Net Worth. Detailed discussion has been provided in the Directors Report.

2. Disclosure of Accounting Treatment

The Company has prepared financial statements which comply with IndAS applicable for periods ending on 31st March 2024, together with the comparative period data as at and for the year ended 31st March 2023, as described in the summary of significant accounting policies.

Primarily a treatment different from that prescribed in an Accounting Standard has not been followed in the preparation of financial statements. However, as regards amendments to certain accounting standards, the applicability / effect on the financial statement has been evaluated and been treated accordingly as explained in Note 1 of the standalone Financial Statements.

Further, the financial statements represent a true and fair view of the underlying business transactions.

Awards: Nil

Certifications:

- ISO 9001: 2015 – Quality Management System
- ISO 20000-1: 2018 – IT Service Management System
- ISO 27001:2022 - Information Security Management System

Cautionary Statement

This report contains forward-looking statements extracted from reports of Government Authorities / Bodies, Industry Associations etc. available on the public domain which may involve risks and uncertainties including, but not limited to, economic conditions, government policies, dependence on certain businesses and other factors. Actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto. We assume no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju

Chairman and Managing Director
DIN:00997493

Place: Hyderabad

Date: 21.08.2024

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

- A. The ratio of the remuneration of each director to the median employees remuneration and other details in terms of sub section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto.

(Rs. in Lakhs)

Sr. No.	Name of Director / KMP and Designation	Financial Year 2023-24		
		Remuneration of Director / KMP	% increase/decrease in Remuneration (Annual basis)	Ratio of Remuneration of each Director / KMP to median remuneration of employees
1	Mr. V.A Rama Raju Chairman & Managing Director	7.50	Nil	2.33
2	Ms. V. Parvathi Executive Director	2.28	Nil	0.71
3	Mr. S.B.V. Subrahmanyam Alumolu Independent Director	Nil	Nil	N.A
6	Ms. Jonnada Vaghira Kumari Independent Director	Nil	Nil	N.A
7	Ms. Shilpa Kotagiri Independent Director	Nil	Nil	N.A
8	Ms. Vandana Modani Non-Executive & Non-Independent Director	Nil	Nil	N.A.
9	Ms. Archana Pabba CFO	3.83	Nil	1.19
11	Mr. Kallepally Bharath Kumar Company Secretary	5.40	Nil	1.68

Note:

Mr. S.B.V. Subrahmanyam Alumolu (DIN: 07483603) was resigned from the office of Independent Director w.e.f. 20.06.2024

Ms. Archana Pabba was appointed to the office of Chief Financial officer of the Company effective 29th May, 2023 in place of Ms. Lakshmi Tejaswi who has resigned from the said office.

Further Ms. Vandana Modani (DIN: 09630896) was appointed as Additional Director (Non-Executive & Non-Independent category) effective 14th March, 2024 and Mr. Manish Kumar Shukla (DIN: 08520576) was appointed as Additional Director (Independent category) for a period of 5 years effective 10th May, 2024 subject to the approval of the members. Subsequently the said Director's appointment has been approved by the members through the process of postal ballot dated 10th May, 2024.

B. Percentage Increase in the median remuneration of all employees in the Financial Year 2023-24:

The median annual remuneration of employees of the Company during the financial year was Rs. 3.21 lacs. In the financial year, there was a decrease of 12.30 % in the median remuneration of employees.

C. Number of permanent employees on the rolls of Company as on 31st March 2024

There were 35 permanent employees on rolls of the Company as on March 31, 2024

D. Average percentile increase already made in the salaries of the 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 managerial remuneration.

There has been no increase in Managerial Remuneration during the FY 2023-24. Average percentile increase made in the salaries of the employees other than the managerial personnel in this financial year i.e., 2023-24 is 3% (approx.)

E. Key parameters for any variable component of remuneration availed by the Directors:

Not Applicable

F. Affirmation that the remuneration is as per the remuneration Policy of the Company:

Yes, it is hereby affirmed that the remuneration is as per the remuneration Policy of the Company:

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju
Chairman and Managing Director
DIN:00997493

Place: Hyderabad
Date: 21.08.2024

Statement of Particulars of employees pursuant to Provisions of Rule 5(2) of Section 197(12) of the companies Act 2013 Read with Companies (Appointment & remuneration of Managerial Personnel) Rules 2014

Details of top 10 employees (in terms of Remuneration), other than executive Directors

Employed throughout the Year/Part of the year.

Sl No.	Name of the employee	Age	Designation	Qualification	Remuneration (Per Year)	Nature of Employment	Experience (Years)	Date of Commencement of Employment	Previous Employment	Relationship with Directors /Manager	Nature of Duties of Employee	% of Share holding in Company
1	JAGADISH BABU T	44	Project	DME	15,51,804	permanent	21	Apr-07	RMSI & Satyam	Not Related to any Director	Engineering Services	NIL
2	NARENDER V	35	Team Leader	B. Tech	10,80,000	permanent	13	Oct-11	Nil	Not Related to any Director	Mechanical design Engineering	NIL
3	V.G.V.V.B. Siddhartha	33	Team Leader	B Tech	10,08,000	permanent	6	Feb-18	Nil	Not Related to any Director	Mechanical design Engineering	NIL
4	LAKKAMRAJU SUDHEER	36	Team Leader	B.Tech	7,92,000	permanent	9	Jun-16	Nil	Not Related to any Director	Engineering Services	NIL
5	VEERA PAVAN K	36	Design Engineer	B.Tech	7,38,000	permanent	11	Jul-12	Nil	Not Related to any Director	Engineering Services	NIL
6	VENKATESWARA RAO	39	Design Engineer	B.Tech	7,32,000	permanent	9	Nov-12	Nil	Not Related to any Director	Engineering Services	NIL
7	BRAHMANATH B	45	HR Manager	B.Com	6,43,200	permanent	20	May-07	SG Datasoft	Not Related to any Director	System Integration	NIL
8	VEGESNA TANUJA	36	Sr. Software Engineer	B.Tech	5,46,000	permanent	6	Apr-18	Nil	Daughter of Mr. V.Atchyuta Rama Raju & Ms. V. Parvathi, Executive Directors of the Company	Engineering Services	NIL
9	BHARATH KUMAR K	27	Company Secretary	CS (ICSI), MBA	5,40,000	permanent	3	Nov-21	NA	Not Related to any Director	Company Secretary & Compliance officer	NIL
10	M PRADEEP BABU	30	Jr.Design Engineer	B.Tech	5,16,000	permanent	6	Dec-18	Nil	Not Related to any Director	Engineering Services	NIL

Note: All the employees are under contractual obligations

REPORT ON CORPORATE GOVERNANCE

We feel happy to present our Report on Corporate Governance listing out various information and facts, mandatory as well as voluntary, as regards the systems and processes at Vama Industries Limited (VAMA), in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

I. Our philosophy on Code of Governance:

The principles of Corporate Governance have always assumed utmost importance in Vama's walk of life, notwithstanding the fact that we are very tiny in terms of business turnover, profits, employees strength etc., Our principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long term.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company, thus ensuring sustained relationship with all our stakeholders. At Vama, we are committed to doing things in a right way which means taking business decisions and acting in a way that is ethical and is in compliance with governing legislations.

To succeed, we believe, it requires high standards of corporate behavior towards everyone we work with, the community we touch and the environment on which we have an impact. This is our road to consistent, competitive and responsible growth and creating long term value for our members, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

The Board of Directors plays a crucial role in overseeing how the management serves the short and long-term interest of members and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under review and benchmark ourselves to best practices across the globe.

II. Board of Directors

a) Composition and category of directors

The Board of your company has an optimum mix of executive and non-executive directors with half of the Board of the Company comprising independent directors. As on date of this report, the Board consists of 6 directors - comprising 2 Executive directors, 3 Independent directors, and 1 nonexecutive director. Further, out of the said 6 Directors 2 of them are promoter Directors of the Company. The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the board to discharge its responsibilities and provide effective leadership to the business.

The company obtains from each director - on an annual basis - details of the board and board committee positions he/she occupies in other companies and changes, if any, regarding their directorship. In addition, the independent directors provide an annual confirmation that they meet criteria of independence as defined under section 149(6) of the Companies Act, 2013.

The Board composition is in conformity with the provisions of Companies Act, 2013 read with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Nomination and Remuneration Committee periodically evaluates the criteria with respect to qualifications, independence, remuneration, performance etc., of directors.

b) Meetings and Attendance

The Board meets at regular intervals, by way of physical Board Meetings or by way of virtual Meetings, to discuss and decide on Company / Business policy and strategy apart from statutory and other business. Usually the Board meetings are pre-scheduled and a tentative annual calendar of the Board meetings is circulated to the directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The Board generally considers important corporate actions and events including but not limited to:-

- Oversight of the performance of the business;
- Development and approval of overall business strategy;
- Overseas economic scenario
- International business and performance of subsidiary
- Government policies vis a vis work orders to the Company
- Board succession planning;
- Quarterly and annual results;
- Dividend(s), if any;
- Review of the functioning of the committees;
- Minutes of the Meetings of committees and subsidiary Company;
- Other strategic, transactional and governance matters as required under Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other applicable legislations.

Barring emergency instances, the notice of Board meetings is given well in advance to all the directors. The agenda of the Board meeting is set by the Company Secretary in consultation with the Managing Director of the Company. The agenda is circulated a week prior to the date of the meeting that includes an Action Taken Report detailing the implementation of the decisions taken at the previous Board Meeting, business to be discussed at the meeting, statutory compliance status etc

In case of urgency, the Company obtains prior approval from the Directors to call, convene, and hold Board meetings at shorter notice.

Attendance of Directors in the Board Meetings:

Name	Category	Attended
Promoter & Executive Directors		
Mr. Vegesna Atchyuta Rama Raju	Managing Director	9/9
Ms. Vegesna Parvathi	Executive Director	9/9
Non - Promoter & Non - Executive Directors		
Mr. S B V Subramanyam Alumolu*	Non-Executive & Independent Director	9/9
Ms. JonnadaVaghira Kumari	Non-Executive & Independent Director	9/9
Ms. Shilpa Kotagiri	Non-Executive & Independent Director	9/9
Ms. Vandana Modani	Non-Executive & Non-Independent Director	NA

Note:

Ms. V. Parvathi (DIN: 01240583) was reappointed to the office of Whole-time Director of the Company (designated as Executive Director) for a period of 3 Years, effective 10.09.2023.

Ms. Shilpa Kotagiri (DIN: 09245806) who was initially appointed as Additional Director (Independent category) effective 24th February, 2023, was appointed as an Independent Director of the company for a period of 5 years by the members through the process of Postal Ballot dated 19th April, 2023.

Further Ms. Vandana Modani (DIN: 09630896) was appointed as Additional Director (Non-Executive & Non-Independent category) effective 14th March, 2024 and Mr. Manish Kumar Shukla (DIN: 08520576) was appointed as Additional Director (Independent category) for a period of 5 years effective 10th May, 2024 subject to the approval of the members. Subsequently the said Director's appointment has been approved by the members through the process of postal ballot dated 10th May, 2024.

*Mr. S.B.V. Subrahmanyam (DIN: 07483603) has resigned from his office of Independent Director effective 20.06.2024 due to pre-occupation and other commitments.

Attendance at the last Annual General Meeting held on 30.10.2023

Name	Yes / No
Mr. V. Atchyuta Rama Raju	Yes
Ms. V. Parvathi	Yes
Mr. Jonnada Vaghira Kumari	Yes
Ms. Shilpa Kotagiri	Yes
Mr. S.B.V Subrahmanyam Alumolu	Yes
Ms. Vandana Modani	NA

c) Membership in other Boards or Committees

Name	No. of Memberships in other				Name of other listed entities where he/she is a director and the category of directorship
	Board		Committees		
	Private	Public	Membership	Chairmanship	
Mr. V. Atchyuta Rama Raju	1	Nil	Nil	Nil	-
Ms. V. Parvathi	1	Nil	Nil	Nil	-
Ms. Shilpa Kotagiri	1	Nil	Nil	Nil	-
Mr. S B V Subramanyam Alumolu	1	Nil	Nil	Nil	-
Ms. Vandana Modani	Nil	Nil	Nil	Nil	
Ms. Jonnada Vaghira Kumari	Nil	3	9	4	1. DRS Dilip Roadlines Limited - Independent Director 2. Tanvi Foods (India) Limited - Independent Director

Note:

The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies., Companies Registered under Section 8 of the Companies Act, 2013.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the listed entities in which they are directors. None of the Directors holds office in more than 10 public companies and seven listed entities. None of the Directors serves as Independent Director in more than seven listed entities.

d) Number and Date of Board Meetings

During the FY 2023-24, 09 (Nine) Board Meetings were held, i.e. on 19th April, 2023, 29th May, 2023, 14th August, 2023, 22nd August, 2023, 25th September, 2023, 02nd October 2023, 14th November 2023, 13th February 2024 and 14th March 2024.

The time-gap between any two consecutive meetings is not more than 120 days.

e) Disclosure of relationship between Directors inter-se

Mr. V Atchyuta Rama Raju and Ms. V. Parvathi are related to each other as husband & wife. Save and except the said, no other Director is related to any other Director on the Board.

f) Holding of Non-Executive Directors

Sl. No	Name	No of Equity Shares	No. of Convertible Instruments
1	Ms. Jonnada Vaghira Kumari	0	0
2	Mr. S.B.V. Subrahmanyam Alumolu*	0	0
3	Ms. Shilpa Kotagiri	0	0
4	Ms. Vandana Modani**	0	0
5	Mr. Manish Kumar Shukla***	0	0

* resigned effective 20.06.2024

** appointed effective 14.03.2024

*** appointed effective 10.05.2024

g) Familiarization programme for Independent Directors:

The Board familiarization programme comprises the following:

- Induction programme for new Independent Directors;
- Introduction session with other Directors and KMPs
- A bird's eye-view on the Company's business and functional issues;
- Workshop session on proposed business verticals
- HR and strategy sessions

The new Independent Directors are taken through a detailed induction and familiarization programme. As part of the Induction session, the Managing Director provides an overview of the organization, its history, values and purpose. The Independent Directors are made aware of their roles and responsibilities at the time of their appointment and detailed letter of appointment is issued to them.

Our Familiarization Programme may be accessed on our website at:

http://www.vamaind.com/Policies/Familiarisation_Programme_for_Independent_Directors.pdf

Separate Independent Directors' meeting:

In compliance with schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors held their meeting on 13th February, 2024, without the presence of non-independent directors and members of the management, inter alia, to discuss the following:

- Noting the report of performance evaluation of the Board by the Chairman of the Board;
- Review of the performance of non-independent directors and the Board;
- Review of the performance of the Chairman of the Company;
- Assessment of the quality and quantity and timelines of flow of information to the Board; and
- Review of informal meeting with senior management personnel
- General discussion on economic front

All the independent directors were present at the aforesaid meeting.

h) Skills / Expertise / Competence of the Board of Directors

The following Skills / Expertise / Competencies are identified by the board as required in the context of the company to function effectively:

- Good Management and Leadership skills
- Information Technology, business accounts etc.,
- Diversity
- Functional and Managerial Experience
- Personal Values
- Corporate Governance

The above-mentioned skills are collectively available with the Board.

Matrix setting out Director-wise skills / expertise in the context of the company

Skills / expertise in relation to business operations	Name of Directors having such skills / expertise
Management and leadership experience & diversity	Mr. V. Atchyuta Rama Raju and Ms. Vegesna Parvathi
Technical Knowledge and Information Technology	Mr. V. Atchyuta Rama Raju
Functional and Managerial experience	Ms. Shilpa Kotagiri, Ms. Vandana Modani and Ms. V. Parvathi
Corporate Governance & Strategic management	Ms. Jonnada Vaghira Kumari, Ms. Shilpa Kotagiri, Mr. Manish Kumar Shukla, Ms. Vandana Modani, and Ms. V. Parvathi
Finance and Administration	Mr. V. Atchyuta Rama Raju, Mr. S B V Subramanyam Alumolu and Ms. Jonnada Vaghira Kumari

i) Confirmation about independent directors

Our Independent Directors comply with the requirements as stipulated under Section 149 of the Companies Act, 2013 read with Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors on our Board, as on date of this Report, are as follows:

- Ms. Jonnada Vaghira Kumari
- Ms. Shilpa Kotagiri
- Mr. Manish Kumar Shukla

We further confirm that the above directors are independent of management.

j) Detailed reasons for the resignation of an independent director who resigns before the expiry of his[/her] tenure along with a confirmation by such director that there are no other material reasons other than those provided.

During the FY 2023-24, No resignation to the office of Independent Director has taken place. Subsequent to the closure of financial year, Mr. S.B.V. Subrahmanyam Alumolu resigned from his office of Independent Director of the Company w.e.f 20.06.2024 due to pre-occupation and other commitments, as informed and noted by the Board. Further the Company has obtained the confirmation from the said director that there were no material reasons other than those specified thereunder.

III. Audit Committee

a) A brief description of terms of reference

The role of the audit committee includes the following:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- To recommend appointment, remuneration and terms of appointment of auditors of the listed entity;
- To approve the payment to statutory auditors for any other services rendered by the statutory auditors;
- To review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report interms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- To review, with the management, the quarterly financial statements before submission to the board for approval;
- To review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- To review and monitor the auditor's independence and performance, and effectiveness of audit process;
- To approve or any subsequent modification of transactions of the company with related parties;
- To scrutinize inter-corporate loans and investments;
- To value undertakings or assets of the listed entity, wherever it is necessary;
- To evaluate internal financial controls and risk management systems;
- To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- To review the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- To discuss with internal auditors of any significant findings and follow up there on;
- To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- To carry out any other function as directed by the Board of Directors
- To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs.100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

b) Composition, name of members and chairperson

The company has in place an audit committee as per the provisions section 177 of the Companies Act, 2013. The Committee was last re-constituted pursuant to a resolution passed by our Board in its meeting held 20.06.2024. As on the date of this report, the composition of Audit committee stands as follow

Name of Member	Designation
Ms. Jonnada Vaghira Kumari	Chairperson
Mr. S B V Subramanyam Alumolu (resigned w.e.f. 20.06.2024)	Member
Ms. Shilpa Kotagiri	Member
Mr. Manish Kumar Shukla (appointed w.e.f. 20.06.2024)	Member

c) Meetings and Attendance during the year

During the financial year ended on 31st March, 2024, the Audit Committee met 5 times 29.05.2023, 14.08.2023, 02.10.2023, 14.11.2023 and 13.02.2024 with a gap of not more than one hundred and twenty days between any two meetings.

Name	Meetings held	Meeting entitled to attend	Attended
Ms. Jonnada Vaghira Kumari	5	5	5
Mr. S B V Subramanyam Alumolu	5	5	5
Ms. Shilpa Kotagiri	5	5	5

Notes:

Mr. S B V Subramanyam Alumolu resigned as member of the Committee w.e.f. 20.06.2024.

Mr. Manish Kumar Shukla appointed as member of the Committee upon reconstitution w.e.f. 20.06.2024

Mr. Kallepally Bharath Kumar, Company Secretary acts as the secretary of the Audit Committee.

In addition to the members of the Audit Committee, few meetings were attended by heads of finance, internal audit departments along with statutory auditor of the Company.

IV. NOMINATION AND REMUNERATION COMMITTEE

a) Brief description of terms of reference

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of performance of independent directors and the board of directors;
- To devise a policy on diversity of board of directors;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

b) Composition, name of members and chairperson

The company has in place a Nomination and Remuneration committee in line with the provisions of section 178 of the companies Act, 2013. The Committee was last re-constituted pursuant to a resolution passed by our Board in its meeting held 20.06.2024. As on the date of this report, the composition of Nomination and Remuneration committee stands as follow.

Name of the Member	Designation
Ms. Shilpa Kotagiri (appointed as chairperson w.e.f. 20.06.2024)	Chairperson
Mr. S B V Subramanyam Alumolu (resigned w.e.f. 20.06.2024)	Chairperson
Ms. Jonnada Vaghira Kumari	Member
Mr. Manish Kumar Shukla (appointed w.e.f. 20.06.2024)	Member

All the members of the committee are Non- Executive Directors.

Mr. Kallepally Bharath Kumar, Company Secretary, acts as the secretary to the Nomination and Remuneration Committee.

c) Meetings and attendance during the year

During the financial year ended on 31st March, 2024, the Nomination & Remuneration Committee met 4 times on 29.05.2023, 25.09.2023, 02.10.2023 and 14.03.2024.

Name	Meetings held	Meeting entitled to attend	Attended
Mr. S B V Subramanyam Alumolu	4	4	4
Ms. Jonnada Vaghira Kumari	4	4	4
Ms. Shilpa Kotagiri	4	4	4

Notes:

- Ms. Shilpa Kotagiri appointed as Chairperson of the Committee upon reconstitution w.e.f. 20.06.2024.
- Mr. S B V Subramanyam Alumolu resigned as Chairperson of the Committee w.e.f. 20.06.2024.
- Mr. Manish Kumar Shukla appointed as member of the Committee upon reconstitution w.e.f. 20.06.2024

d) Performance evaluation criteria for independent directors

The Board of Directors undertakes a formal annual evaluation of its own performance, that of its Committees and also that of individual Directors as per Section 134 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with a view to review their functioning and effectiveness and also for identifying possible

means for improvement. During the year, the Board, in association with Nomination and Remuneration Committee, carried out a performance evaluation of itself, its Committees, and each of the executive/ non-executive/ independent directors through an online survey process.

The Independent directors were evaluated on various performance indicators including aspects relating to:

- Fiduciary, Integrity and maintenance of confidentiality
- Commitment and participation at the Board & Committee Meetings
- Effective deployment of knowledge and expertise
- Exercise of objective independence in the best interest of Company
- Interpersonal relationships with other directors and management

The board and committees were evaluated on the following parameters:

- Size, structure and expertise of the Board.
- Review of strategies, risk assessment, robust policies and procedures by Board.
- Oversight of the financial reporting process & monitoring company's internal control system.
- Quality of agenda, conduct of meeting, procedures and process followed for effective discharge of functions.
- Effective discharge of functions and duties by Committee as per terms of reference.
- Appropriateness and timeliness of the updates given on regulatory developments.
- Board's engagement with Senior Management team.

The Chairperson had an individual discussion with each director based on the peer analysis.

The feedback was collated and discussed with the Board and action points for improvement are put in place.

V. Remuneration of Directors

a) all pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company

The Company neither has any pecuniary relationship nor has entered into any transaction(s) with any of its non-executive directors.

b) Criteria of making payments to non-executive directors

The remuneration policy describing the criteria of making payment to non-executive directors is available at https://www.vamaind.com/Policies/Remuneration_Policy.pdf

c) Disclosures with respect to remuneration

Information that is mandatorily to be disclosed in the annual report as per the provisions of Sec 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in Annexure VI (i).

Further, information as required under Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is hereunder:

All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc. for the FY 2023-24:

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		V. Atchya Rama Raju	V. Parvathi	
1	Gross salary	7.50	2.28	9.78
a	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.50	2.28	9.78
b	Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
c	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	-as % of profit	Nil	Nil	Nil
	-others	Nil	Nil	Nil
5	Others	Nil	Nil	Nil
	Total	7.50	2.28	9.78
	Ceiling as per the Act	84 Lakhs	84 Lakhs	

The Board in consultation with its Nomination and Remuneration Committee adopts generally accepted criteria for determining remuneration to its Director's.

There are no performance linked incentives or bonus to any of its directors.

Moreover, no service contracts were entered into by the Company, hence, notice period and severance fees are not applicable.

Stock option details, if any including issue at a discount as well as the period over which accrued and over which exercisable: The Company has not issued any stock options.

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders' Relationship Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The role of the committee includes the following:

- To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To review measures taken for effective exercise of voting rights by shareholders.
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

A	Name of non-executive director heading the committee	Mr. Manish Kumar Shukla (appointed w.e.f. 20.06.2024) (Earlier Mr. S B V Subramanyam Alumolu (resigned w.e.f. 20.06.2024))
B	Name and designation of compliance officer	Kallepally Bharath Kumar (Company Secretary)
C	Number of shareholders' complaints received during the financial year ended March 31, 2024	Nil
D	Number of complaints not solved to the satisfaction of shareholders as on March 31, 2024	Nil
E	Number of pending complaints as on March 31, 2024	Nil

Composition, name of members and chairperson

The Committee was last re-constituted pursuant to a resolution passed by our Board in its meeting held 20.06.2024. As on the date of this report, the composition of Stakeholders' Relationship Committee stands as follow.

Name	Designation
Mr. Manish Kumar Shukla (appointed w.e.f. 20.06.2024)	Chairperson
Mr. S B V Subramanyam Alumolu (resigned w.e.f. 20.06.2024)	Chairperson
Ms. Jonnada Vaghira Kumari	Member
Ms. Shilpa Kotagiri	Member

Meetings and Attendance during the year:

The Stakeholders' Relationship Committee met 4 times on 29.05.2023, 14.08.2023, 02.10.2023 and 13.02.2024 during the year under review.

Name	Meetings held	Meeting entitled to attend	Attended
Mr. S B V Subramanyam Alumolu	4	4	4
Ms. Jonnada Vaghira Kumari	4	4	4
Ms. Shilpa Kotagiri	4	4	4

Notes:

1. Mr. S B V Subramanyam Alumolu resigned as Chairperson of the Committee w.e.f. 20.06.2024.
2. Mr. Manish Kumar Shukla appointed as Chairperson of the Committee upon reconstitution w.e.f. 20.06.2024.

Mr. Kallepally Bharath Kumar, Company Secretary, acts as the secretary of the Stakeholders' Relationship Committee.

The Committee has periodic interaction with representatives of the Registrar and Share Transfer Agent of the Company.

VII) RISK MANAGEMENT COMMITTEE

Your Company has a comprehensive Risk Management framework, which is designed to enable risks to be identified, assessed and mitigated appropriately.

a. Terms of reference

The terms of reference of the Risk Management Committee are as under:

Objective of the Risk Management Policy

- To embed the management of risk as an integral part of our business processes;
- To establish an effective system of risk identification, analysis, evaluation and treatment within all areas and all levels of the Company;
- To avoid exposure to significant financial loss;
- To contribute to the achievement of the Company's objectives; and
- To assess the benefits and costs of implementation of available options and controls to manage risk.
- The primary function of the Risk Management Committee is to assist the Board to manage the risk appetite of the Company in order to promote a balanced business model and growth. The Committee oversees the identification of major areas of risk being faced by the Company, the development of strategies to manage those risks and reviews the risk management policies and their implementation.

Functions, Roles and Responsibilities

- To oversee and approve the Company's Risk Management Framework
- To monitor and review the risk management plan
- To oversee that all the organisational risks such as strategic and commercial, safety and operations, compliance and financial risks have been identified with and assessed.
- To approve structures, analyse risks and benefits, seek independent opinion with regard to structure or views.
- To assist the Board in fulfilling its oversight responsibilities with regard to Enterprise Risk Management.
- To review and approving risk related disclosures.
- To be responsible for day-to-day oversight risk management including identification, impact assessment, monitoring, mitigation and reporting.
- To formulate and implement risk management policies and procedures.
- To provide updates to the Board on enterprise risk and action taken.
- To ensure compliance with policies and procedures laid down by the Company for specific business units.
- To maintain and develop supportive culture, in relation to the management of risk appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organisation of their actions and decisions.
- To advise the Board on all high-level risk matters.
- To review the effectiveness of the internal control.

b. Composition, name of members and chairperson

Name	Designation
Ms. Jonnada Vaghira Kumari	Chairman
Mr. V. Atchyuta Rama Raju	Member
Ms. V. Parvathi	Member

c. Meetings and Attendance during the year:

The Risk Management Committee met 4 times on 29.05.2023, 14.08.2023, 02.10.2023 and 13.02.2024 during the year under review. The composition of Risk Management Committee is as follows:

Name	Meetings held	Meeting entitled to attend	Attended
Ms. Jonnada Vaghira Kumari	4	4	4
Mr. V. Atchyuta Rama Raju	4	4	4
Ms.V. Parvathi	4	4	4

Mr. Kallepally Bharath Kumar, Company Secretary, acts as the secretary of the Risk Management Committee.

VIII) Senior Management:

Particulars of the Senior Management including the changes therein since the close of the previous financial year.

S.No.	Name of the Employee	Designation	Date of joining
1.	Kallepally Bharath Kumar	Company Secretary & Compliance officer	13.11.2021
2.	Archana Pabba	Chief Financial Officer	29.05.2023
3.	Brahmanath B	HR Manager	01.05.2007
4.	Jagadish Babu T	Project Manager	01.04.2007
5.	Narender V	Team Leader	01.10.2011
6.	V.G.V.V.B. Siddhartha	Team Leader	01.02.2018
7.	Lakkamraju Sudheer	Team Leader	01.06.2016
8.	Veera Pavan K	Design Engineer	11.07.2012
9.	Venkateswara Rao	Design Engineer	01.11.2012
Resigned during the year			
1.	Bandi Tewaswi	CFO	28.09.2022
2.	Suvarna B	Project Manager	01.04.2005

VIII) GENERAL BODY MEETINGS

a. Location and time, where last three annual general meetings held

Financial Year	Time	Location
2022-23 38th AGM	Oct 30, 2023 (Monday) at 4:00 P.M	Through Video conference / other Audio Visual means at registered office of the company
2021-22 37th AGM	Sep 30, 2022 (Friday) at 4:00 P.M	Through Video conference / other Audio Visual means at registered office of the company
2020-21 36th AGM	Sep 30, 2021 (Thursday) at 05.30 P.M	Through Video conference / other Audio Visual means at registered office of the company

b. Special resolutions passed in the previous three annual general meetings

AGM	Special Resolution
2022-23	<ul style="list-style-type: none"> Re- appointment of Mrs. V. Parvathi (DIN: 01240583) to the office of Whole Time Director
2021-22	<ul style="list-style-type: none"> Appointment of Ms. Jonnada Vaghira Kumari (DIN: 06962857), to the office of Independent Director of the Company. Appointment of M/s. P. Suryanarayana & Co., Chartered Accountants (Firm Registration Number: 009288S), as Statutory Auditors of the company to fill the casual vacancy. Appointment M/s. P. Suryanarayana & Co., Chartered Accountants (Firm Registration Number: 009288S), as Statutory Auditors of the company for a period of 5 years.
2020-21	<ul style="list-style-type: none"> Re-Appointment of Mr. Vegesna Atchyuta Rama Raju (DIN: 00997493), to the office of Managing Director. Appointment of Mr. S. B.V. Subramanyam Alumolu (DIN: 07483603), to the office of Independent Director of the Company. Appointment of Mr. Satish Marlapudi (DIN: 09115483), to the office of Independent Director of the Company.

c. Special resolution passed last year through postal ballot – details of voting pattern and person who conducted the postal ballot exercise

During the financial year under review, there is a one instance where the company conducted the postal ballot for passing the below said special resolution through postal ballot.

Appointment of Ms. Shilpa Kotagiri (DIN: 09245806) to the office of Independent Director for a term of 5 years.

The date of passing of the said resolution stand as May 20, 2023

Mr. Vikas Sirohiya appointed as Scrutinizer for conducting the voting process in a fair and transparent manner.

Details of the voting pattern:

i. **Voted in favour of the resolution**

No. of members voting	No. of votes cast by them	% of total number of valid votes cast
62	2,15,00,378	99.99%

ii. **Voted against the resolution**

No. of members voting	No. of votes cast by them	% of total number of valid votes cast
3	1406	0.01%

iii. **Invalid Votes: Nil**

d. Procedure for postal ballot

The Postal ballot will be conducted in accordance with the provisions of Sec 110 of The Companies Act, 2013 read with Rule 22 of The Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

IX) MEANS OF COMMUNICATION

We regularly interact with the shareholders through multiple channels of communication - through print media and website of the Company.

- a) All the communication, may it be results or notices etc., by way of News Papers is published in Financial Express (English) and Nava-Telangana (Telugu) dailies.
- b) Financials are furnished to BSE within the time specified under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and simultaneously, they are also displayed on the Company's website at <https://vamaind.com/financials.html>
- c) Event based news / press releases are posted on our website and also furnished to the Stock Exchange.
- d) No presentations were made to institutional investors or to the analysts during the financial year under review.
- e) The company promptly informs Stock Exchange about all the price sensitive information and all such other matters which in our opinion are material and relevant for the shareholders.

The Company's website: www.vamaind.com contains separate section for investors where shareholders information is made available.

X) GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Date & Time: September 18, 2024 (Wednesday) at 04:00 PM
Venue: Registered Office of the Company (Through VC / OAVM)

b. Financial Year (2023-2024)

The Financial year under review is 2023-2024 (01st April, 2023 to 31st March, 2024).

c. Dividend: No Dividend has been recommended for the FY 23-24

Unclaimed Dividend

As per Section 124(5) of the Companies Act, 2013, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to Investor Education and Protection Fund (IEPF) set up by the Central Government.

In accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the unpaid/unclaimed dividend for the FY 2015-16 has been transferred to the said Fund in November, 2023.

Unpaid / unclaimed dividend for the financial year 2016-17 shall become due for transfer to the said Fund in November 2023. Members are requested to verify their records and send their claim, if any, for the financial year 2016-17, before the amount becomes due for transfer to the fund.

TRANSFER OF SHARES TO IEPF

The Company is in the process of transferring, under section 124(6) of the Companies Act, 2013, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to IEPF.

d. Listing on Stock Exchange

At present, the Equity Shares of the Company are listed on:

BSE Limited (BSE).
Phiroze Jeejebhoy Towers
Dalal Street, Mumbai – 400 001

The Annual Listing fee for the financial year 2024-25 on equity share capital has been paid to BSE.

The Company has paid custodial fees for the year 2024-25 to National Securities Depository Limited [NSDL] and Central Depository Services (India)Limited [CDSL] on the basis of number of beneficial accounts maintained by them as on 31st March, 2024.

e. Stock Code

BSE Scrip Code: 512175
Security Id: VAMA
Series: EQ
ISIN: INE685D01022

f. Market Price Data

Monthly high, low and the volume of equity shares traded on BSE Limited during the financial year 2023-24:

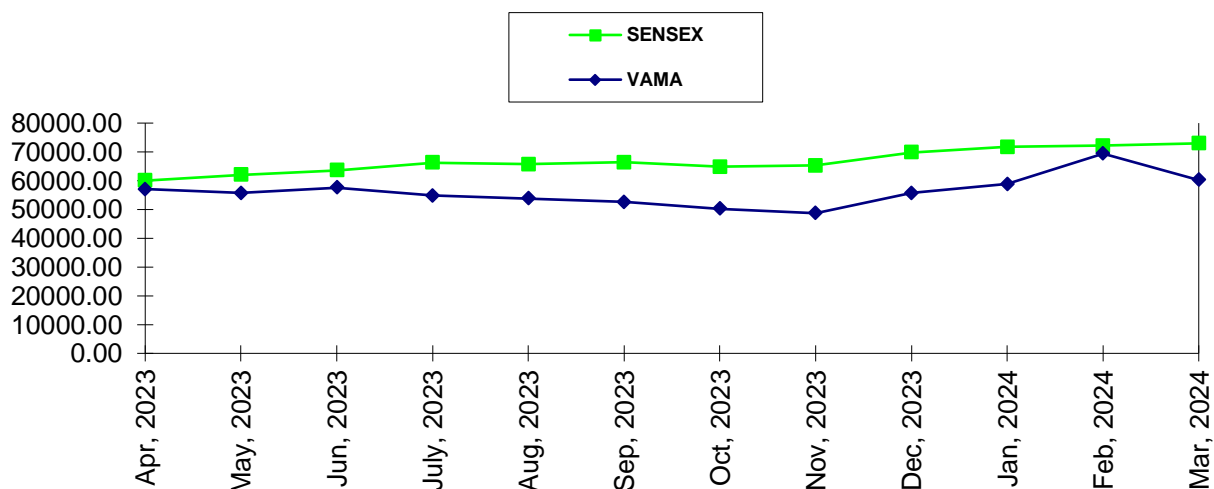
Financial Year 2023-24	BSE		
	High (Rs)	Low (Rs)	Volume Traded (No. of Shares)
April 2023	5.89	4.1	7,00,044
May 2023	5.28	4.47	7,98,246
June 2023	5.66	4.42	12,64,701
July 2023	5.1	4.5	11,40,529
August 2023	5.27	4.15	24,34,888
September 2023	4.93	4.28	12,81,642
October 2023	4.8	4	7,78,317
November 2023	4.5	4.02	12,96,682
December 2023	5.65	4.1	24,61,057
January 2024	5.69	4.6	22,55,624
February 2024	7.2	4.94	41,96,861
March 2024	6.15	4.4	17,40,433

Category of Shareholders as on 31.03.2024

Sl.No	Category of shareholders	No. of shares	Percentage
1	Promoter & Promoter Group	2,25,61,830	42.94
2	Public	2,65,65,933	50.56
3	Corporate Bodies	4,19,919	0.80
4	Clearing Members	1,80,412	0.34
5	Non-Resident Indians	27,54,246	5.24
6	IEPF	57,660	0.11
	Total	5,25,40,000	100

g. Performance in comparison to broad-based indices

SHARE PERFORMANCE BSE



h. **The trading of our securities was never suspended at any point of time during the FY 2023-24.**

i. Registrar and Share Transfer Agent

The Company has appointed M/s. Bigshare Services Private Limited as its Registrar and share transfer agent and accordingly, all physical transfers, transmission, transposition, issue of duplicate share certificate(s), issue of demand drafts in lieu of dividend warrants, etc., as well as request for dematerialization / rematerialization is handled by RTA through NSDL and CDSL connectivity.

Bigshare Services Private Limited 306,
Right wing, Amruthaville Opp. Yashoda
Hospital Somajiguda, Rajbhavan Road,
Hyderabad - 500082.

j. Share Transfer System:

Transfers / transmission are carried out in accordance with the provisions of Section 56 of the Companies Act, 2013 and Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our Stakeholders' Relationship Committee takes note of the transfers / transmission affected by our Share Transfer Agent and the same is in turn reported to the Board of Directors.

The Company duly submits annual compliance certificate issued by practicing company Secretary to the Stock Exchange. Further, as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transfer of securities is being made only in dematerialized form.

k. Distribution of shareholding

Distribution Schedule as on 31.03.2024

Range of Equity Shares held	No. of shareholders / Accounts	Percentage (%) of shareholders / Accounts	No of shares held	Percentage of share held (%)
1-5000	17334	95.40	9817326	18.69
5001-10000	451	2.48	3413748	6.50
10001-20000	192	1.06	2719951	5.18
20001-30000	69	0.38	1725280	3.28
30001-40000	26	0.14	947220	1.80
40001-50000	18	0.10	850415	1.62
50001-100000	46	0.25	3391458	6.46
100001 and above	33	0.18	29674602	56.48
Total	18169		52540000	

Shareholders holding more than 1% of the shares

Details of shareholders (non-promoters) holding more than 1% of the equity as at March 31, 2023 are as follows:

Sl. No	Name of the Shareholder	No of shares	% of share capital
1	Mr. Anil Unnikrishnan	2236987	4.26
2	Mr. Kamal Gadalay	676392	1.29
3	Mrs. Lakshmi S K Valiveti	8,00,000	1.52

l. Dematerialization of shares and liquidity

As at March 31, 2024, 5,24,46,400 equity shares of Rs.2 each representing 99.82% of the total equity capital of the company were held in dematerialized form and the rest in the physical form.

m. Outstanding GDRs/ ADRs/ warrants or any convertible instruments, conversion date and likely impact on Equity

The Company has not issued any of these instruments except warrants till date. Further, warrants outstanding for conversion: Nil

n. **Commodity Price Risk or Foreign Exchange Risk and Hedging activities:**

Further, during the year under review, the Company was not exposed to any significant Foreign Exchange Risk or commodity price risks, hence there was no need to enter into any hedging arrangements.

o. **Plant Locations:**

Since we do not carry out any manufacturing activities, we do not have any plant / factory as such. All the activities are carried out at its office premises only.

p. **Address for Correspondence:**

Company Secretary & Compliance Officer
VAMA Industries Limited
Door No. 8-2-248/1/7/78/12,13,
Ground Floor, Block-A, Lakshmi Towers,
Nagarjuna Hills, Punjagutta
Hyderabad 500082
Phone: 040 66845534
E-mail: cs@vamaind.com

q. **Credit ratings obtained**

Nil. The Company did not issue any debt instruments during the financial year under review. No fixed deposit programme is in place and the company does not have any plan as on the date of this report to frame a scheme or proposal to mobilize funds.

XI) OTHER DISCLOSURES

a. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large**

During the year under review, the company has not entered into any transaction with the related parties.

There are no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or any other related party that may have a potential conflict of interest with the company at large.

We have formulated a policy on “materiality of related party transactions” and the process of dealing with such transaction, which are in line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The same is also available on the website of the Company at the link http://www.vamaind.com/Policies/Related_Party_Transactions_Policy.pdf

b. Except as mentioned below, there were neither any non-compliances by the Company nor any penalties / strictures were imposed on the Company by the stock exchange /SEBI/ statutory authority on any matter related to capital markets during telast three years.

During the FY 2023-24,

There was delay in filing Shareholding pattern as required under Regulation 31(1)(b) of SEBI (LODR) Regulations, 2015 and Reconciliation of share capital audit report under Regulation 76(1) of the SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended 30th June, 2023.

The said delays occurred on account of non-receipt of BENPOS from the Depositories within the prescribed time which in turn was caused due to delay in payment of Annual Issuer fees to the said Depositories by the Company. On receipt of Benpos, the Company has made the Compliance of the said regulations.

The fine as proposed by the BSE was paid by the Company amounting to Rs 84,960 including applicable taxes which was levied on account of noncompliance of Regulation 31 of SEBI (LODR) Regulations, 2015.

c. Vigil Mechanism / Whistle Blower Policy:

The Vigil Mechanism / Whistle Blower Policy provides a platform to the directors /employees to report, without fear of victimisation, any unethical behavior, suspected or actual fraud, violation of the code of conduct etc., which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice.

Further, it is affirmed that no personnel has been denied access to the Audit Committee.

The Vigil Mechanism and Whistle Blower Policy is attached at Annexure X to the Board's Report and may also be accessed on the Company's Website at the link: http://www.vamaind.com/Policies/Vigil_Mechanism_Whistle_Blower_Policy.pdf

d. Details of compliance of Mandatory requirements and adoption of Non- Mandatory Requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also adopted the discretionary requirements as specified in Part E of Schedule II of the Regulations and the same may be referred at point no. XIII hereunder.

e. Policy for determining material subsidiaries may be accessed on our website

http://www.vamaind.com/Policies/Material_Subsiary_Determination_Policy.pdf

f. Policy on dealing with Related Party Transactions

http://www.vamaind.com/Policies/Related_Party_Transactions_Policy.pdf

g. Commodity Price Risk and Commodity Hedging Risk – NA

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – NA

i. Certificate from a Company Secretary in Practice that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors and a copy is attached herewith.

j. Details of recommendations of any committee that were not accepted by the Board - Nil

k. Total fees (consolidated basis) paid to Statutory Auditors

Rs. (In lakhs)

Auditors	M/s. P. Suryanarayana & Co.,
Audit Fee	4.50
Tax matters	0
Certification Fee	0
Out of Pocket expenses	0
Total	4.50

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

The Board has constituted Internal Complaints Committee in accordance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). This Committee was constituted to specifically provide a safe, secure and enabling environment, free from sexual harassment to every woman.

Composition & Attendance in Meetings:

The Committee met 2 times on 14.08.2023 and 13.02.2024 during the year under review

Name	Designation	Meetings held	Meeting entitled to attend	Attended
Ms. V Parvathi	Presiding Officer	2	2	2
Mr. B. Brahmanath	Member	2	2	2
Ms. N. Lakshmi Satyasri	Member	2	2	2

Mr. Kallepally Bharath Kumar, Company Secretary, acts as the secretary of the Internal Complaints Committee.

Sl.no	Particulars	
A	Number of complaints filed during the financial year	Nil
B	Number of complaints disposed of during the financial year	Nil
C	Number of complaints pending as on end of the financial year	Nil

m. Disclosure by the listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/ Companies in which directors are interested by name and amount:

- Vama Technologies Pte Ltd
Nature of interest: 1. Wholly owned Subsidiary
2. Common Director

Amount of Loans and Advances outstanding at the end of the year: 102.09 Lakhs (Advance received from Vama Technologies Pte Ltd, Wholly Owned Subsidiary to M/s Vama Industries Limited)

n. Details of material subsidiaries of the listed entity:

S.No.	Name of the Material Subsidiary	Date & Place of Incorporation	Name of the Statutory Auditor	Date of Appointment
1	Vama Technologies Pte Ltd	Singapore	MGI N RAJAN & Associates	10/11/2016 (Reappointed at the AGM every year)

XII) Non- compliance of any requirement of corporate governance report, with reasons thereof:

All the corporate governance requirements are complied with.

XIII) The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

Discretionary Requirements:

Your Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

i. The Board:

Maintenance of Office to the Non-Executive Chairperson at the Company's expense: This is not applicable as the Chairperson of the Company is an Executive Director.

ii. Shareholders' rights:

All the quarterly financial results are placed on the Company's Website: www.vamaind.com, apart from publishing the same in the Newspapers along with BSE.

iii. Modified opinion(s) in audit report:

There are no modified opinions in the Audit Reports.

iv. Separate Posts of Chairman and the Managing Director or the CEO:

Mr. V. Atchyuta Rama Raju holds the post of Chairman & Managing Director. No person hold the post of CEO of the Company.

v. Reporting of internal auditor:

The Internal auditor reports to the Chairman of the Audit Committee directly.

XIV) The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) (b) to (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details are as follows:

Regulation	Particulars of regulations	Compliance status (Yes/No)
17	Board of directors	Yes
18	Audit committee	Yes
19	Nomination and Remuneration committee	Yes
20	Stakeholders Relationship committee	Yes
21	Risk Management committee	Yes
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	Yes
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b) to (i)	Website	Yes

XV) Disclosure with respect to demat suspense account / unclaimed suspense account: N.A

XVI) Prevention of Insider Trading

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has instituted a comprehensive code of conduct for prohibition of insider trading in the Company's shares. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

XVII) Code of Conduct:

In compliance with the provisions of the Listing Regulations, the Board has laid down a code of conduct for all Board members and Senior Management of the Company and it is posted on the website of the Company at the link [http:// www.vamaind.com/Code_of_Conduct.pdf](http://www.vamaind.com/Code_of_Conduct.pdf)

All the members of the Board and the Senior Management Personnel and Designated Employees of the Company have affirmed compliance to the code of conduct, as at March 31, 2024.

The declaration from our Managing Director with regard to compliance of code of conduct by the Board of Directors and Senior Management is enclosed and forms part of this report.

XVIII) Disclosure of certain types of agreements binding listed companies

(Information disclosed under clause 5A of paragraph A of Part A of Schedule III of Listing regulations): Not Applicable

XIX) Auditors Certificate on Corporate Governance

The Company has obtained certificate from Ms. Sravanthi Gadiyaram, Practicing Company Secretary (ACS No. 25754 and C.P No. 25597) regarding compliance with the provisions relating to Corporate Governance laid down in Part E of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This certificate is annexed to the Director's Report and will be sent to the stock exchanges, along with the Annual Reports to be filed by the Company.

XX) CEO and CFO Certification

The MD and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part-B of schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CEO & CFO Certification

[Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015]



To
The Board of Directors
VAMA Industries Limited
Hyderabad.

We, V. Atchyuta Rama Raju, Managing Director and Archana Pabba, Chief Financial Officer of Vama Industries Limited, to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement of our Company for the financial 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 our 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 our 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 our Company pertaining to financial reporting and that we have disclosed to the auditors and the audit committee, 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 address these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- 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 they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju

Chairman and Managing Director
(DIN: 00997493)

Sd/-

Archana Pabba

Chief Financial Officer

Place: Hyderabad

Date: 21.08.2024

DECLARATION ON CODE OF CONDUCT

To,
The Members
VAMA Industries Limited.

Sub: Declaration under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I hereby declare that all the Directors and Senior Management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended on March 31, 2024.

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju
Chairman and Managing Director
(DIN: 00997493)

Place: Hyderabad
Date: 21.08.2024



CERTIFICATE ON CORPORATE GOVERNANCE

**TO
THE MEMBERS
VAMA INDUSTRIES LIMITED.**

I have examined the compliance of conditions of Corporate Governance by Vama Industries Limited ("the Company"), for the year ended 31st March, 2024, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") as referred to in Regulation 15(2) of the Listing regulations.

The compliance of conditions of corporate governance is the responsibility of Management. My 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.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

I 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.

Sd/-
Sravanthi G
M. No. 25754
C.P. No.25597
PR No: 4010/2023
UDIN: A025754F001013477

Place: Hyderabad
Date: 21.08.2024



CERTIFICATE
(Pursuant to clause 10(i) of Para C of Schedule V of LODR)

In pursuance of clause 10(i) of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; in respect of Vama Industries Limited, having CIN: L72200TG1985PLC041126, I hereby certify that:

On the basis of the written representation/declaration received from the directors and taken on record by the Board of Directors, as on 31st March, 2024, none of the directors on the Board of the company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the basis of my 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.

Sd/-
Sravanthi G
M. No. 25754
C.P. No.25597
PR No: 4010/2023
UDIN: A025754F001013444

Place: Hyderabad
Date: 21.08.2024

Policy for selection of Directors and determining Directors Independence

1. Introduction:

- 1.1 Vama Industries Limited (VAMA) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, VAMA ensures constitution of the Board of Directors with required composition, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2 VAMA recognizes the importance of Independent Directors in achieving the effectiveness of the Board.

2. Scope:

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 **"Director"** means a Director appointed to the Board of the Company.
- 3.2 **"Nomination and Remuneration Committee"** means the Committee constituted by Vama Industries Limited's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.
- 3.3 **"Independent Director"** means a Director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

4. Policy:

4.1 Qualifications and Criteria

- 4.1.1 The Nomination and Remuneration (NR) Committee and the Board shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.
- 4.1.2 In evaluating the suitability of individual Board members, the Nomination and Remuneration Committee may take into account factors, such as:
 - General understanding of the Industry vis a vis Company's business perspective;
 - Educational and professional background
 - Standing in the profession;
 - Personal and professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 4.1.3 The proposed appointee shall also fulfill the following requirements:
 - Shall possess a Director Identification Number;
 - Shall not be disqualified under the Companies Act, 2013;
 - Shall give his written consent to act as a Director;
 - Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

- Shall disclose his concern or interest in any Company or Companies or Bodies Corporate, Firms including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Criteria of Independence

4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence, as laid down in Companies Act, 2013, are as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director:

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or Directors in the company, its holding, subsidiary or associate company;
- (c) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year.
- (d) none of whose relatives
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;
 - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or Directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or Directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
 - (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);

- (e) who, neither himself nor any of his relatives—
- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or
- f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age.

4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

4.3 Other directorships / committee memberships

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as a Director in more than 20 companies of which not more than shall be 10 Public Limited Companies.

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju
Chairman and Managing Director
DIN: 00997493

Place: Hyderabad
Date: 21.08.2024

Remuneration Policy for Directors, Key Managerial Personnel and other employees

1. Introduction:

Vama Industries Limited (VAMA) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration is based on such parameters reflecting short- and long-term performance objectives appropriate to the working of the company and its goals.

2. Scope:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 “**Director**” means a director appointed to the Board of the company.
- 3.2 “**Key Managerial Personnel**” means
 - (i) the Chief Executive Officer or the Managing Director or the Manager;
 - (ii) the Company Secretary;
 - (iii) the Whole-time Director;
 - (iv) the Chief Financial Officer; and
 - (v) such other officer as may be prescribed under the Companies Act, 2013
- 3.3 “**Nomination and Remuneration Committee**” means the committee constituted by the Board of Directors of Vama Industries Limited in accordance with the provisions of Section 178 of the Companies Act, 2013.

4. Policy:

4.1 Remuneration to Executive Directors and Key Managerial Personnel

- 4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.
- 4.1.2 The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- 4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:
 - (i) Basic Pay
 - (ii) Perquisites and Allowances
 - (iii) Commission (Applicable in case of Executive Directors)
 - (iv) Retiral benefits
 - (v) Annual Performance Bonus

4.2 Remuneration to Non-Executive Directors

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders, if any.

4.3 Remuneration to other employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju
Chairman and Managing Director
DIN: 00997493

Place: Hyderabad

Date: 21.08.2024

DIVIDEND DISTRIBUTION POLICY

The Board of Directors (the "Board") of Vama Industries Limited (the "Company") at its meeting held on April 24, 2017 has adopted this Dividend Distribution Policy (the "Policy") as required by Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

OBJECTIVE

The objective of this Policy is to establish the parameters to be considered by the Board of Directors of the Company before declaring or recommending dividend.

In future, the Company would endeavor to pay sustainable dividend keeping in view the Company's policy of meeting the long-term growth objectives from internal cash accruals.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. The Board of Directors, while determining the dividend to be declared or recommended shall take into consideration the advice of the executive management of the Company and the planned and further investments for growth apart from other parameters set out in this Policy.

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of Directors of the Company shall consider the following financial / internal parameters while declaring or recommending dividend to shareholders:

- Profits earned during the financial year
- Retained Earnings
- Earnings outlook for next three to five years
- Expected future capital / liquidity requirements
- Any other relevant factors and material events

The Board of Directors of the Company shall consider the following external parameters while declaring or recommending dividend to shareholders:

Macro-economic environment - Significant changes in macro-economic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates

- Regulatory changes – Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged.
- Technological changes which necessitate significant new investments in any of the businesses in which the Company is engaged

UTILISATION OF RETAINED EARNINGS

The Company shall endeavor to utilize the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of shares viz. equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

CONFLICT IN POLICY

In the event of any conflict between this Policy and the provisions contained in the regulations, the regulations shall prevail.

AMENDMENTS

The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws and regulations or as deemed fit on a review.

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju
Chairman and Managing Director
DIN: 00997493

Place: Hyderabad
Date: 21.08.2024

Whistleblower policy

As referred in the Directors Report and the Report on Corporate Governance, the Company has framed and adopted the Whistleblower policy that covers our directors and employees. The policy is subject to need based review and modifications, if required, from time to time. The Policy, as applicable currently, is laid hereunder and is also posted on our website www.vamaind.com

Scope and purpose:

Vama Industries Limited (Vama) is committed to complying with the foreign and domestic laws that apply to it, satisfying the Company's Code of Conduct and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines, and other penalties. That may have cascading impact and may prove fatal. Consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company's policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and free of any fear of retaliation. That is the purpose of this policy (the 'Policy' or the 'Vigil Mechanism and Whistle Blower Policy'). You are required to read this Policy and acquaint yourself with the same.

Report at the earliest - Nip at the bud

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct. It is important that you report all suspected violations. This includes possible accounting or financial reporting violations, insider trading, bribery, harassment, discrimination in your employment etc.

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company's policies or applicable laws. You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company policy. Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

How & Where to Report

You must report all suspected violations to (i) your immediate supervisor; (ii) the nodal officer, i.e., the Company Secretary; at or (iii) anonymously, by sending an email to: cs@vamaind.com

If you have reason to believe that your immediate supervisor or the Company Secretary is involved in the suspected violation, your report may be made to the Chairman of the Audit Committee at:

Chairman, Audit Committee, Vama Industries Limited, Door No. 8-2-248/1/7/78/12,13, Ground Floor, Block-A, Lakshmi Towers, Nagarjuna Hills, Punjagutta, Hyderabad – 500082

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

Post reporting Investigation

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company's policy.

Zero - Retaliation policy

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics. The Company takes reports of such retaliation seriously. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting employees may also be subject to civil, criminal and administrative penalties.

Modification

The Audit Committee or the Board of Directors of Vama can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with national, state or local regulations and / or accommodate organizational changes within the Company.

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju
Chairman and Managing Director
DIN: 00997493

Place: Hyderabad
Date: 21.08.2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VAMA INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements:

Opinion

1. We have audited the accompanying standalone financial statements of M/s Vama Industries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
2. 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 March 31, 2024, and total comprehensive income (comprising of loss and other comprehensive expense), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit 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 Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

SI No.	The Key Audit Matters	Auditor's Response
1	<p>Revenue Recognition</p> <p>Revenue from the sale of goods and sale of Service (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods and sale of service is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 9 to the Standalone Financial Statements - Significant Accounting Policies</p>	<p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> - Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. - Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls. - Evaluating the design and implementation of Company's controls in respect of revenue recognition. - Testing the effectiveness of such controls over revenue cut off at year-end. - Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period. - Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the 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 appropriate action as applicable under the relevant laws and regulations.

Responsibility of Management and those charged with governance for Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of 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.
7. In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those 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

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- (i) Identify and assess the risks of material misstatement of the standalone 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.
 - (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
 - (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - (iv) 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.

- (v) 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.

10. 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.

11. 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.

12. 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

13. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, based on our audit we report that:

- i. 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.
- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 14(viii)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- iii. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- iv. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- v. On the basis of the written representations received from the directors as on April 01, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- vi. With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(ii) above on reporting under Section 143(3)(b) and paragraph 14(viii)(f) below on reporting under Rule 11(g) of the Rules.
- vii. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- viii. 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:
 - (a) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.40 to the standalone financial statements.
 - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

- (d)
- (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 2.44Q to the standalone financial statements, 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 Company 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 Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 2.44Q to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) contain any material misstatement.
- (e) According to the information and explanations given to us, the Company has not declared or paid any Dividend during the year.
- (f) Based on our examination, the Company has used accounting software Tally ERP 9.0 and is in the process of establishing necessary controls and maintaining documentation regarding audit trail. Consequently, we are unable to comment on the audit trail feature of the aforesaid software. Accordingly, the question of our commenting on whether the audit trail had operated throughout the year or was tampered with, does not arise.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For P. Suryanarayana & Co.,
Chartered Accountants**

Sd/-

P Suryanarayana

Partner

M. No. 201195

Firm Regn. No. 009288S

UDIN: 24201195BKAPOW6167

Place: Hyderabad

Date: May 29, 2024

Annexure – A to the Independent Auditors' Report:

(Referred to in paragraph 14(vii) under 'Report on Other Legal and Regulatory Requirements' section of our report 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")

Opinion

1. We have audited the internal financial controls with reference to standalone financial statements of Vama Industries Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Other Matters

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements 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 ICAI.

**For P. Suryanarayana & Co.,
Chartered Accountants**

Sd/-

P Suryanarayana

Partner

M. No. 201195

Firm Regn. No. 009288S

UDIN: 24201195BKAPOW6167

Place: Hyderabad

Date: May 29, 2024

Annexure - B to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2024, we report that:

- (i)
- a.
 - i. The Company has maintained proper records showing full particulars, including the quantitative details and the situation of Property, Plant and Equipment.
 - ii. The Company has maintained proper records showing full particulars of Intangible Assets.
 - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) in the name of the Company and therefore the question of our commenting on the clause does not arise.
 - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e. Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- (ii)
- a. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
 - b. During the year the company, has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly statements with such banks, which in few cases are not in agreement with the books of account; reviewed by us for the quarter ended June 30, 2023, September 30, 2023, December 31, 2023 and audited by us for the year ended March 31, 2024 (Also refer Note 2.44F to the financial statements).

Period ended	Trade Receivables		Difference	Reason for variance
	As per books	As per statement		
June 2023	732.47	452.04	280.43	The difference is mainly because the bank doesn't finance debtors with ageing above 90 days and also there is income accrued but not due on which the bank doesn't finance loan and as such the same was not reported in the statement submitted to bank.
September 2023	684.92	413.34	271.58	
December 2023	715.25	431.53	283.72	
March 2024	468.44	430.98	37.46	

Period ended	Inventory		Difference	Reason for variance
	As per books	As per statement		
June 2023	1,394.53	1,432.09	37.56	The difference is mainly because non-updating of the workings and error in formula in the reports submitted to banks, leading to difference.
September 2023	1,380.27	1,419.50	39.23	
December 2023	1,379.22	1,419.50	40.28	
March 2024	1,321.25	1,379.22	57.96	

- (iii)
- a. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - b. There are no loans granted to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) (b) of the order is not applicable to the company in respect of repayment of principal amount.
 - c. There are no loans granted to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) (c) of the order is not applicable to the company in respect of repayment of principal amount.
 - d. There are no loans granted to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) (d) of the order is not applicable to the company in respect of overdue of loan amount.
 - e. The loan or advance in the nature of loan granted which has fallen due during the year, has not been renewed or no extended or no fresh loans granted to settle the over-dues of existing loans given to the same parties.
 - f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. Hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Therefore, the provisions of Clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the Company's operations. Therefore, the provisions of Clause 3 (vi) of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- a. The Company is not regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Professional Tax (in the state of Telangana), Income-tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - b. There were no undisputed amounts payable in respect of Customs Duty, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable except for provident fund amounting to INR 11.02 lakhs, employee state insurance amounting to INR 1.25 lakhs, Professional tax amounting to INR 0.92 lakhs and income tax amounting to INR 27.62 lakhs.
 - c. According to the information and explanations given to us, there are no material statutory dues including Provident Fund, Employees' State Insurance, Professional Tax (in the state of Telangana), Income-tax, Customs Duty, Goods and Service Tax, cess and any other material statutory dues pending for deposit with the appropriate authorities on account of any dispute except for the following:
- | Name of the statute | Nature of dues | Amount (Rs.) | Period to which the amount relates | Forum where the dispute is pending |
|----------------------|----------------|-----------------|------------------------------------|------------------------------------|
| Income Tax Act, 1961 | Income Tax | INR 86.38 lakhs | FY 2016-17 | ITAT, Mumbai (Income tax) |
- (viii) According to the information and explanations given to us, there are no such transactions which are 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

- (ix)
- a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year except for principal repayment of loans amounting to INR 158.27 lakhs that are repayable on demand. According to the information and explanations given to us, such loans have not been demanded for repayment during the year. Consequently, the question of our commenting under clause 3(ix)(a) of the Order does not arise with respect to principal repayment of such loans except for the following:

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
Unsecured loan from financial institution	Bajaj Finserv Limited	0.77 lakhs	Principal and Interest (July 2023 instalment)	2 days delay. Paid as on March 31, 2024
Unsecured loan from financial institution	Bajaj Finserv Limited	2.32 lakhs	Principal and Interest (August 2023, January 2024 and February 2024 instalment)	9 days delay for each instalment. Paid as on March 31, 2024

- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- c. According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x)
- a. Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (x) of the Order is not applicable.
- b. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully / partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi)
- a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- c. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistleblower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- (xiv) Based on information and explanation provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business and reports of internal auditors for the period under audit were considered by us.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary company or persons connected with them and hence provisions of section 192 of the Act are not applicable and hence reporting under clause (xv) of the Order is not applicable to the Company.
- (xvi)
- The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
 - The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
 - The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
 - Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) According to the information and explanations give to us and based on our examination of the records of the Company, the company has incurred a cash loss of INR 286.98 lakhs and INR 159.70 Lakhs in the financial year and immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 2.44C to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of Section 135 of Companies Act, 2013 are not applicable to the company since company is not meeting the criteria specified therein. Hence, the provisions of Clause 3 (xx) of the Order are not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For P. Suryanarayana & Co.,
Chartered Accountants**

Sd/-

P Suryanarayana

Partner

M. No. 201195

Firm Regn. No. 009288S

UDIN: 24201195BKAPOW6167

Place: Hyderabad

Date: May 29, 2024

(₹ In Lakhs)

Particulars	Note No	As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-Current Assets			
Property, plant and equipment	2.01	66.74	224.75
Intangible assets	2.02	104.78	124.65
Financial Assets			
Investments	2.03	4.93	4.93
Other bank balances	2.04	22.59	29.47
Other financial assets	2.05	180.61	58.54
Other non-current assets	2.06	7.85	18.31
		387.50	460.65
Current Assets			
Inventories	2.07	1,321.26	1,432.09
Financial Assets			
(i) Trade receivables	2.08	330.60	524.97
(ii) Cash and cash equivalent	2.09	2.60	2.93
(iii) Bank balances Other than (ii) above	2.09	41.76	79.88
(iv) Other financial assets	2.10	114.88	111.56
Current tax assets	2.11	37.83	28.56
Other current assets	2.12	155.05	139.60
		2,003.98	2,319.59
Total Assets			
		2,391.48	2,780.24
Equity and Liabilities			
Equity			
Equity share capital	2.13	1,050.80	1,050.80
Other equity	2.14	402.48	710.53
		1,453.28	1,761.33
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	2.15	16.61	144.35
Deferred Tax Liabilities (Net)	2.16	15.72	(4.71)
Long term Provisions	2.17	11.15	13.51
		43.48	153.15
Current Liabilities			
Financial Liabilities			
(i) Borrowings	2.18	185.27	487.19
(ii) Trade payables	2.19	-	-
Dues to micro and small enterprises		-	-
Dues to Creditors other than micro and small enterprises		87.34	80.79
(iii) Other financial liabilities	2.20	117.35	76.14
Short-term Provisions	2.21	32.04	10.66
Other current liabilities	2.22	472.72	210.98
		894.72	865.76
Total equity and liabilities			
		2,391.48	2,780.24

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date
for M/s. P. Suryanarayana & Co.,
Chartered Accountants

For and on behalf of the Board of

Sd/-
P. Suryanarayana
Partner
M.No. 201195
Firm Regn No. 009288S

Sd/-
V. Achyutha Rama Raju
Chairman & Managing Director
DIN: 00997493

Sd/-
V. Parvathi
Executive Director
DIN: 01240583

Place: Hyderabad
Date: May 29, 2024

Sd/-
Archana Pabba
Chief Financial officer

Sd/-
K Bharath Kumar
Company Secretary

STANDALONE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024



(₹ In Lakhs)

Particulars	Note No	For the year Ended 31.03.2024	For the year Ended 31.03.2023
Income			
Revenue from Operations	2.23	521.12	1,146.69
Other Income	2.24	5.49	161.30
Total Revenue		526.61	1,307.99
Expenses			
Cost of Material Consumed	2.25	136.39	826.51
Changes in Inventories	2.26	110.83	3.23
Employee Benefit Expenses	2.27	191.44	182.03
Finance Cost	2.28	163.94	123.91
Depreciation and Amortisation Expenses	2.01	25.29	24.47
Other Expenses	2.29	351.10	299.86
Total Expenses		978.99	1,460.01
Loss Before Tax		(452.38)	(152.02)
Exceptional Item	2.42	159.12	-
Tax Expenses			
i) Current Tax		-	-
ii) Previous Years Tax Provsion		-	63.62
iii) Deferred tax		19.01	(31.47)
Loss for the Year		(312.27)	(184.17)
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss		5.63	(3.43)
Tax on items that will not be reclassified to profit & Loss		(1.42)	0.89
Total Other Comprehensive Income/(Loss) for the year net of Taxes		4.21	(2.54)
Total Comprehensive Loss for the Year		(308.06)	(186.71)
Earning per Share			
Basic Earning Per share @ Rs. 2/- Each	2.30	(0.59)	(0.35)
Diluted Earning Per share @ Rs. 2/- Each	2.30	(0.59)	(0.35)

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

**As per our report of even date
for M/s. P. Suryanarayana & Co.,**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
P. Suryanarayana
Partner
M.No. 201195
Firm Regn No. 009288S

Sd/-
V. Achyutha Rama Raju
Chairman & Managing Director
DIN : 00997493

Sd/-
V. Parvathi
Executive Director
DIN : 01240583

**Place: Hyderabad
Date: May 29, 2024**

Sd/-
Archana Pabba
Chief Financial officer

Sd/-
K Bharath Kumar
Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024



(₹ In Lakhs)

Particulars	For the year Ended 31.03.2024	For the year Ended 31.03.2023
A. Cash flow from Operating activities		
Net Profit before tax and after exceptional items	(293.26)	(152.02)
Adjustments		
Depreciation and Amortization Expense	25.29	24.47
Dividend and Interest Income	5.49	(11.31)
Finance Cost	163.94	123.91
Actuarial Gain / Loss	(1.93)	(3.43)
Provision for Others	68.57	-
Bad debts written off	257.91	144.12
Creditors Written back	-	(149.99)
Fair value adj for Investments	-	(0.38)
Net Profit on sale of fixed assets	(158.89)	-
Operating profit before working capital changes	67.13	(24.63)
Movements in Working Capital		
(Increase)/Decrease in Trade and Other Receivables	(63.54)	949.30
Decrease in Inventories	110.83	3.14
(Increase)/Decrease in other financial assets	(3.32)	42.36
Decrease in Other Current Assets	13.12	436.56
Increase/(Decrease) in Trade Payables	6.56	(1,207.81)
Increase/(Decrease) in Other Financial Liabilities	41.21	(42.00)
Increase in Other Current Liab.	216.48	15.83
Cash generated from Operations	388.46	172.75
Direct Taxes paid	-	-
Net Cash from Operating activities	388.46	172.75
B. Cash flow from Investing Activities		
(Purchase) / Sale of Fixed Assets (Net)	311.48	-
Change in Other Financial Assets (Non-current)	(115.19)	45.55
Changes in Other Non-Current Assets	10.46	12.96
(Increase)/Decrease in Other Long Term Liab. / Long Term Prov.	3.27	-
Dividend and Interest Income received	(5.49)	11.31
Net Cash from Investment Activities	204.53	69.82
C. Cash Flow from Financing Activities		
Proceeds / (Repayment) from Long Term Borrowings	(127.74)	(62.09)
Proceeds / (Repayment) from Short Term Borrowings	(301.91)	(70.44)
Finance Cost	(163.94)	(123.91)
Net cash used in financing activities	(593.59)	(256.44)
Net (Decrease) / Increase in cash and cash equivalents	(0.60)	(13.87)
Cash and cash equivalents at the beginning of the year	5.02	18.89
Cash and Cash equivalents at the end of the year	4.42	5.02

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements"(Ind AS-7)

2. The accompanying notes are an integral part of the financial statements

3. We have taken into consideration Cash and Cash equivalents instead of effective Cash and Cash equivalents.

As per our report of even date

for P. Suryanarayana & Co.,

Chartered Accountants

Sd/-

P. Suryanarayana

Partner

M.No. 201195

Firm Regn No. 009288S

Place: Hyderabad

Date: May 29, 2024

For and on behalf of the Board of Directors

Sd/-

V. Achyutha Rama Raju

Chairman & Managing Director

DIN : 00997493

Sd/-

Archana Pabba

Chief Financial officer

Sd/-

V. Parvathi

Executive Director

DIN : 01240583

Sd/-

K Bharath Kumar

Company Secretary

Statement of Changes in Equity

(Rs. In Lakhs)

Equity share capital	Opening Balance as at 01.04.2023	Changes in equity share capital during the year	Closing Balance as at 31.03.2024
52,540,000 Equity Shares @ Rs. 2/- Each, fully paid up	1,050.80	-	1,050.80
	1,050.80	-	1,050.80

Equity share capital	Opening Balance as at 01.04.2022	Changes in equity share capital during the year	Closing Balance as at 31.03.2023
52,540,000 Equity Shares @ Rs. 2/- Each, fully paid up	1,050.80	-	1,050.80
	1,050.80	-	1,050.80

Particulars	Retained Earnings	Securities Premium	Actuarial Gains or Losses	Total Equity
Balance as at 01/04/2023	340.53	370.00	-	710.53
Loss for the year	(312.27)	-	-	(312.27)
Actuarial gain / (loss) on post-employment benefit obligations, net of tax benefit	4.22	-	-	4.22
Balance as at 31/03/2024	32.48	370.00	-	402.48

Particulars	Retained Earnings	Securities Premium	Actuarial Gains or Losses	Total Equity
Balance as at 01/04/2022	527.24	370.00	-	897.24
Loss for the year	(184.17)	-	-	(184.17)
Actuarial gain / (loss) on post-employment benefit obligations, net of tax benefit	(2.54)	-	-	(2.54)
Balance as at 31/03/2023	340.53	370.00	-	710.53

NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 1:

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES OF STANDALONE FINANCIAL STATEMENTS

A. General Information

Vama Industries Limited (the company) is engaged in the Engineering Design & Development Services, System Integration Projects, IT Infrastructure, Data Center Engineering Build and Facility Management Services. The Company is a public limited company incorporated and domiciled in India and has its registered office at Punjagutta, Hyderabad, Telangana. The Company has its primary listings on the Bombay Stock Exchange. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation and presentation of Financial Statements

The financial statements of Vama Industries Limited (“Vama” or “the Company”) have been prepared and presented in accordance with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- Derivative financial instruments are measured at fair value.
- Employee defined benefit assets / (liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation, and
- All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization / settlement within twelve months period from the balance sheet date.

B. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgments are:

i) Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

ii) Employee Benefits

The present value of the employee benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

iii) Provision and contingencies

Provisions and contingencies are based on the Management’s best estimate of the liabilities based on the facts known at the balance sheet date.

iv) Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgement is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc.

C. Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakhs.

D. Current and noncurrent classification

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent. Deferred tax assets and liabilities are always disclosed as non-current.

E. Foreign Currency Transaction

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

Significant Accounting Policies

1) Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets include the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Directly attributable costs include:

- a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE or from relevant Product
- b. Cost of site preparation
- c. Initial Delivery & Handling costs
- d. Professional Fees and
- e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within in the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment based on Schedule II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on prorata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Computers	3
Furniture & Fixtures	10
Air Conditioner	15
Electrical Fittings	10
Vehicles	8
Office Equipment	5

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The cost of property, plant and equipment not ready to use before such date are disclosed under Capital work-in-progress. Assets not ready for use are not depreciated.

2) Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Type of Asset	Estimated useful life
<i>Intangible Assets</i>	
Software	3

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

3) 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 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 asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets at fair value through profit or loss (FVTPL)
- Impairment of financial assets

Financial Assets at amortised cost

A Financial Asset is measured at the amortised cost if both the following conditions are met:

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

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 other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial Assets at FVTOCI

A Financial Asset is classified as at the FVTOCI if both of the following criteria 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.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest earned whilst holding FVTOCI is reported as interest income using the EIR method.

Financial Assets at FVTPL

FVTPL is a residual category for Financial Assets. Any asset, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL. These include surplus funds invested in mutual funds.

Investment in Mutual Funds

Mutual funds investments in scope of Ind AS 109 are measured at fair value. For all other instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

An investment in Mutual funds within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1 April 2016.

Retention Money

Retention money is amount retained by the client/ service receiver under an agreement where, money is not paid instantaneously. There will be a time loss of value of consideration which needs to be recognised by determining the fair value of revenue in accordance with Ind AS 18.

As per Ind AS 113 and 109 discounting of the retention money is required and recognised and designated as revenue or interest as Fair Value Through Profit & Loss (FVTPL).

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration deviation of receivables turnover ratio from normal credit period.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (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.

- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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, 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, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss

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/ losses are not subsequently transferred to the 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 and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the 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.

4) Inventories

Inventories consist of goods and are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognised as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

5) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication

exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

6) Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts and Cash Credit that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits and unclaimed dividend balances shall be disclosed as restricted cash balances.

7) Employee Benefits

Short term employee benefits

Short-term employee benefits 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 obligation can be estimated reliably.

Defined Contribution Plan

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

8) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

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

Contingent assets

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

9) Revenue Recognition

Sale of goods and services

Revenue from sale of computer hardware is recognized on dispatch of the products from the company for delivery to the customers. Revenue from product sale is shown net of tax separately charged and discounts as applicable.

Revenue from IT Services consists of earnings from services performed on a 'time and material' basis and fixed price contracts. The related revenue is recognized as and when the services are performed and delivered.

Revenue from Annual Maintenance Contracts (AMCs) is recognized on accrual basis as per the Contracts / Agreements entered with the Clients.

Other Income

Interest Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established.

10) Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held.

Grants related to income are government grants other than those related to assets.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

11) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the 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.

12) Tax Expenses

Tax expense consists of current and deferred tax.

Income Tax

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognized in the statement of changes in equity as part of the associated dividend payment. Tax on Dividends declared by the Company are recognised as an appropriation of Profit. Dividend Distribution Tax is not applicable from April 1, 2020.

13) Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

14) Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

15) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

16) Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. 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.

a. Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

b. Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

c. Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

d. Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

e. Derivatives

The fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of foreign currency option and swap contracts and interest rate swap contracts is determined based on the appropriate valuation techniques, considering the terms of the contract.

f. Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

Note No 2.01: Property, plant and equipment

(Rs. In Lakhs)

Particulars	Gross Carrying Value				Accumulated Depreciation / Impairment				Net Carrying Value	
	As at 01.04.2023	Additions	Disposals	As at 31.03.2024	As at 01.04.2023	for the Year	Disposals	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer equipment	162.04	57.96	-	220.00	153.93	4.58	-	158.51	61.49	8.10
Furniture & Fixtures	30.00	-	-	30.00	27.88	0.25	-	28.13	1.86	2.11
Air Conditioners	7.66	-	-	7.66	6.01	0.21	-	6.22	1.44	1.65
Electrical Fittings	7.64	-	-	7.64	6.86	0.15	-	7.01	0.63	0.78
Office Equipment	13.06	-	-	13.06	12.41	-	-	12.41	0.65	0.65
Vehicles	34.21	-	20.91	13.30	32.00	0.23	19.60	12.63	0.67	2.21
Land (refer note 2.42)	209.25	14.13	223.38	-	-	-	-	-	-	209.25
	463.85	72.09	244.29	291.66	239.10	5.42	19.60	224.92	66.74	224.75

Particulars	Gross Carrying Value				Accumulated Depreciation / Impairment				Net Carrying Value	
	As at 01.04.2022	Additions	Disposals	As at 31.03.2023	As at 01.04.2022	for the Year	Disposals	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer equipment	162.04	-	-	162.04	153.93	-	-	153.93	8.10	8.10
Furniture & Fixtures	30.00	-	-	30.00	27.62	0.26	-	27.88	2.11	2.37
Air Conditioners	7.66	-	-	7.66	5.80	0.21	-	6.01	1.65	1.86
Electrical Fittings	7.64	-	-	7.64	6.51	0.35	-	6.86	0.78	1.13
Office Equipment	13.06	-	-	13.06	12.41	-	-	12.41	0.65	0.65
Vehicles	34.21	-	-	34.21	28.18	3.82	-	32.00	2.21	6.01
Land	209.25	-	-	209.25	-	-	-	-	209.25	209.25
	463.85	-	-	463.85	234.46	4.64	-	239.10	224.75	229.37

Note No 2.02: Intangible assets

Particulars	Gross Carrying Value				Accumulated Depreciation / Impairment				Net Carrying Value	
	As at 01.04.2023	Additions	Disposals	As at 31.03.2024	As at 01.04.2023	for the Year	Disposals	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer Software	412.77	-	-	412.77	288.12	19.87	-	307.99	104.78	124.65
	412.77	-	-	412.77	288.12	19.87	-	307.99	104.78	124.65

Particulars	Gross Carrying Value				Accumulated Depreciation / Impairment				Net Carrying Value	
	As at 01.04.2022	Additions	Disposals	As at 31.03.2023	As at 01.04.2022	for the Year	Disposals	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer Software	412.77	-	-	412.77	268.29	19.83	-	288.12	124.65	144.48
	412.77	-	-	412.77	268.29	19.83	-	288.12	124.65	144.48

Note No 2.03: (i) Investments

Particulars	As at 31.03.2024	As at 31.03.2023
Investments in Equity Instruments:		
Investment in Subsidiary - carried at cost (SGD 8680 Shares @ \$ 1 Per share (in USD 6000 shares))	4.93	4.93
	4.93	4.93
Aggregate amount of unquoted investments	4.93	4.93
Aggregate amount of impairment in the value of investments	-	-

Note No 2.04: (ii) Other bank balances

Particulars	As at 31.03.2024	As at 31.03.2023
Other Bank Balances		
Fixed Deposits with Bank (with maturity more than 12 months) (Lien against bank guarantee refer note no 2.40)	22.59	29.47
	22.59	29.47

Note No 2.05: (iii) Other financial assets

Particulars	As at 31.03.2024	As at 31.03.2023
Deposits and Others		
Tender Deposits	129.18	-
Retention Money	51.43	58.54
	180.61	58.54

Note No 2.06: Other non-current assets

Particulars	As at 31.03.2024	As at 31.03.2023
Unsecured considered good		
Utility deposits	1.20	1.20
Prepaid Expenses	6.65	17.11
	7.85	18.31

Note No 2.07: Inventories

Particulars	As at 31.03.2024	As at 31.03.2023
(Valued at Lower of Cost or Net Realisable Value)		
Stock - In Trade	1,321.26	1,432.09
	1,321.26	1,432.09

Note No 2.08: (i) Trade receivables

Particulars	As at 31.03.2024	As at 31.03.2023
(Un-Secured Considered Good)		
Outstanding for a period exceeding six months from the date they are due for payment	130.05	359.47
Others	27.12	40.32
Unbilled receivables *	275.42	227.16
	432.58	626.95
Less: Probability of default and provision for impairment	(101.98)	(101.98)
	330.60	524.97

Movement of impairment in Trade receivables		
Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	101.98	101.98
Add: Additional Allowance of Expected Credit Loss	-	-
Less: Additional Allowance of Expected Credit Gain	-	-
	101.98	101.98

Trade receivable include "Income Accrued but not due" of INR 275.42 Lakhs (previous year INR 227.16 lakhs)
Refer note 2.18(a) for the hypothecation details

Note No 2.09: (ii) Cash and cash equivalents

Particulars	As at 31.03.2024	As at 31.03.2023
a) Cash & Cash Equivalents		
Cash on hand	0.86	1.99
Balance in banks		
- Balance in current account	1.74	0.94
b) Other bank balances (with restricted use)		
- Unclaimed dividend account	1.81	2.09
- Fixed deposits with bank (Lien against bank guarantee refer note no 2.40)	39.95	77.79
	44.36	82.81

Note No 2.10: (iv) Other financial assets

Particulars	As at 31.03.2024	As at 31.03.2023
Interest accrued but not due on FD's	2.35	3.38
Loans and Advances to Employees	91.99	66.13
Rental deposits	3.75	3.25
Other financial assets	0.97	0.52
Retention money	15.82	38.28
	114.88	111.56

Note No 2.11: Current tax assets

Particulars	As at 31.03.2024	As at 31.03.2023
Current tax Assets		
Current tax Assets - (Net of provision - Nil)	37.83	28.56
	37.83	28.56

Note No 2.12: Other current assets

Particulars	As at 31.03.2024	As at 31.03.2023
Prepaid Expenses	15.86	22.28
Advance to suppliers / expenses	98.00	72.98
Balance with govt. authorities	41.19	44.40
	155.05	139.66

Note No 2.13: Equity share capital

Particulars	As at 31.03.2024	As at 31.03.2023
Authorised Share Capital 5,50,00,000 Equity Shares of Rs.2/-Each (Previous year: 5,50,00,000 equity shares Rs.2 each)	1,100.00	1,100.00
Issued Subscribed and paid up Share Capital 52,540,000 equity shares @ Rs.2/- each, fully paid-up	1,050.80	1,050.80
	1,050.80	1,050.80

Details of shareholders holding more than 5% shares in the company:

Name of the Shareholder	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	% Holding	No. of Shares	% Holding
1. V Atchyuta Rama Raju	1,25,55,120	23.90%	1,25,55,120	23.90%
2. V Rajam Raju	58,02,500	11.04%	58,02,500	11.04%
3. Gottimukkala Atchyuta Rama Raju	8,99,163	1.71%	29,97,210	5.70%
Total	1,92,56,783	36.65%	2,13,54,830	40.64%

Details of Shareholding of promoters & Promoter Group:

Name of the Promoter & Promoter Group	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	% Holding	No. of Shares	% Holding
1. V Atchyuta Rama Raju	1,25,55,120	23.90%	1,25,55,120	23.90%
2. V Rajam Raju	58,02,500	11.04%	58,02,500	11.04%
3. Gottimukkala Atchyuta Rama Raju	8,99,163	1.71%	29,97,210	5.70%
4. V Parvathi	7,74,500	1.47%	7,74,500	1.47%
5. Indukuri Uma Vani	50,000	0.10%	50,000	0.10%
6. Indukuri Mohan Raju	53,500	0.10%	53,500	0.10%
7. V Sarada	85,000	0.16%	85,000	0.16%
8. V Pushpavathi	70,000	0.13%	70,000	0.13%
9. M Bangar Raju	90,000	0.17%	90,000	0.17%
10. M. Krishnaveni	84,000	0.16%	84,000	0.16%
11. Gottimukkala Bangaru Annapurna (Promoter Group)	20,98,047	3.99%	-	-
Total	2,25,61,830	42.94%	2,25,61,830	42.94%

2.13.1 Reconciliation of Number of Shares:

	As at 31.03.2024	As at 31.03.2023
Number of Shares at the beginning of the year	5,25,40,000	5,25,40,000
Add: Shares issued during the year	-	-
Less: Shares bought back during the year	-	-
Number of Shares at the end of the year	5,25,40,000	5,25,40,000

2.13.2 Rights attached to Equity Shares:

The company has one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. 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.

2.13.3 Aggregate number and class of shares allotted as fully paid up for consideration other than cash, for the period of 5 years immediately preceding the Balance Sheet date: Nil

Note No 2.14: Other equity

Particulars	As at 31.03.2024	As at 31.03.2023
A. Securities Premium		
Opening Balance	370.00	370.00
Add: Securities premium	-	-
	370.00	370.00
B. Retained Earnings		
Opening Balance	340.53	527.24
Add: Net profit transferred from the statement of profit and loss	(312.27)	(184.17)
Add: Remeasurement of defined employee benefit plans (OCI)	4.22	(2.54)
Closing Balance	32.48	340.53
Total (A+B)	402.48	710.53

Note No 2.15: (i) Borrowings (Non-current)

Particulars	As at 31.03.2024	As at 31.03.2023
Secured		
Term Loan from banks #	-	122.00
Unsecured		
Loan from financial institutions #	16.61	22.35
	16.61	144.35

Security, Terms of Repayment, Rate of Interest etc. are detailed in Note No 2.18(a)

Note No 2.16: Deferred Tax Liabilities (Net)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	(4.71)	27.65
Add: on Account of timing differences in property, plant & equipment	-	(1.99)
Add: on account of others	20.43	(30.37)
	15.72	(4.71)

Note No 2.17: Long-term provisions

Particulars	As at 31.03.2024	As at 31.03.2023
Gratuity	11.15	13.51
	11.15	13.51

Note No 2.18: (i) Borrowings (Current)

Particulars	As at 31.03.2024	As at 31.03.2023
Secured (refer note 2.18(a))		
Working Capital Loans from Banks	9.31	395.39
Term Loan from Banks	-	58.50
Unsecured (refer note 2.18(a))		
Loans from related parties	143.22	1.49
Loan from financial institutions	5.74	4.81
Loan from others	27.00	27.00
	185.27	487.19

Note No 2.18(a)

Secured Borrowings:

Rate of Interest: 17.25%

Repayment: Repayable on Demand

Primary Security: 100% Hypothecation of entire stock and receivables created out of bank finance (present & future)

Collateral Security:

Collateral Security:

1) Residential Flat No 401, 4th Floor, Plot No 14 & 16, Sy No 93, 94 & 95, located at S R Nagar, Hyderabad, Rangareddy, Hyderabad, Telangana -500038 (Metro), admeasuring total area : 1450 Sq. Feet, in the name of Shri V. Atchyuta Rama Raju

2) Commercial Building bearing Sy No. 619, 6th Floor, Maker Chambers, V Premises Co-op Society Ltd., Plot No.221 of Back bay reclamation, Nariman Point, Mumbai - 400021 (Metro) admeasuring total area 434 Sq.Feet in the name of M/s Reliance Tea Private Limited

3) Pledge of shares of promoters of 30% (No of shares pledged 67,68,550/-)

Personal Guarantee / Corporate Guarantee:

1. Shri V.Atchyuta Rama Raju, MD, S/o. Late V. Venkata Satynarayana Raju
2. Smt. V. Parvathi, Executive Director, W/o. Sri V. Atchyuta Rama Raju
3. Corporate Guarantee of M/s Reliance Tea Private Limited

Working Capital Term Loan (GECL) from State Bank of India:

Rate of Interest: 7.40%

Repayment: Moratorium period of 12 months and repayment of principal will commence after 12 months moratorium from the date of disbursement. It is repayable in 36 equated monthly instalments of Rs 4,19,445/- each commencing from Nov'21, balance of instalments being is 19 as on 31st March 2023.Fully paid in Jan 2024.

Working Capital Term Loan (GECL1.0 Ext Limit) from State Bank of India:

Rate of Interest: 7.40%

Repayment: Moratorium period of 24 months and repayment of principal will commence after 24 months moratorium from the date of disbursement. It is repayable in 36 equated monthly instalments of Rs 2,58,334/-each commencing from Jan'24. Loan was fully paid in Jan 2024

Bank Guarantee (BG) Facility from State Bank of India:

BG Limit of INR 200 lakhs (previous year - INR 506 Lakhs)

BG Commission Rate: Performance BG - 1.90% + GST, Financial BG - 2.20% + GST

BG Issued will be valid till the date of expiry or till the date of revocation

Security: As applicable to Cash Credit Limit, which is detailed above.

Unsecured Borrowings:
Loans from Related Parties consists of

Name of the Related Party	As at 31.03.2024	As at 31.03.2023
V. Atchyuta Rama Raju - Director (refer note 2.32)	134.25	-
Reliance Tea Private Limited - EDS (refer note 2.32)	8.97	1.49

The Company has borrowed above unsecured loans on the following terms & conditions:

Terms & Conditions	As at 31.03.2024	As at 31.03.2023
Rate of Interest	Nil	Nil
Security	Nil	Nil
Terms of Repayment	Nil	Nil

Bajaj Finance Limited (Unsecured)

Type Facility: Hybrid Flexi Business Loan (Working Capital Loan)

Rate of Interest: 18.00%

Repayment: It is repayable in 84 months with 12 month of moratorium period monthly instalments of Rs. 77,607/- each commencing from June'2022. Pending instalments - 38 (previous year 50)

Security: Unsecured

Note No 2.19: (ii) Trade payables

Particulars	As at 31.03.2024	As at 31.03.2023
Due to Micro and Small Enterprises	-	
Due to Others for Goods & Service	87.34	80.79
	87.34	80.79

2.19.1 There are no transactions with Micro and Small enterprises, hence disclosures are not given as required under MSMED Act, 2006.

Note No 2.20: (iii) Other financial liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
Unpaid Dividend#	1.81	2.09
Employee benefits payable	28.43	26.55
Expenses Payable	87.11	47.50
	117.35	76.14

These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund

Note No 2.21: Short-term provisions

Particulars	As at 31.03.2024	As at 31.03.2023
Gratuity*	32.04	10.66
	32.04	10.66

*Includes gratuity payable as per provisions of "The Payment of Gratuity Act of 1972" for employees who have resigned during the financial year of FY 2023-24.

Note No 2.22: Other current liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
Other Payables		
Statutory Liabilities	165.45	67.18
Advance received from customer	307.27	143.80
	472.72	210.98

(Rs. In Lakhs)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Note No 2.23: Revenue from Operations		
(a) Sale of Products		
- Domestic	79.18	738.31
(b) Sale of Services		
- Domestic	187.82	213.17
- Export	254.12	195.21
	521.12	1,146.69
Sale of goods under broad head		
Computers & Peripherals/ Software	79.18	738.31
	79.18	738.31
Services rendered under broad head		
Annual Maintenance Contract Service	103.20	185.96
Consultancy Services	84.62	27.21
IT Engineering Services	254.12	195.21
	441.94	408.38
Note No 2.24: Other Income		
Interest on Fixed Deposits	5.49	7.73
Other Income	-	3.58
Creditors Written off	-	149.99
	5.49	161.30
Note No 2.25: Cost of Material Consumed		
Purchase of Material	13.17	644.20
Transport/ AMC/Labour Charges	123.22	182.31
	136.39	826.51
Note No 2.26: Changes in Inventories		
Inventories at the end of the year	1,321.26	1,432.09
Inventories at beginning of the year	1,432.09	1,435.32
	110.83	3.23
Net Increase/ (Decrease)		
Note No 2.27: Employee Benefit Expenses		
Salaries and Wages	177.13	165.00
Directors Remuneration	9.78	9.78
Contribution to PF and other Funds	4.51	7.20
Staff Welfare Expenses	0.02	0.05
	191.44	182.03

(Rs. In Lakhs)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Note		
No 2.28: Finance Cost		
Interest Expenses		
Interest on borrowings	70.61	85.65
Interest on others	91.89	18.45
Other Borrowing Cost		
Loan Processing Charges	1.44	19.81
	163.94	123.91
Note		
No 2.29: Other Expenses		
Advertisement	1.84	1.37
Audit Fees (refer note 2.30)	4.50	5.00
Bad debts written off	257.91	144.12
Bank Charges including BG commission	14.76	36.77
Business Promotion Exp	-	6.21
Communication Expenses	1.64	2.79
Conveyance	0.69	1.52
Power and Fuel	5.29	5.53
Fees & Taxes	10.29	8.50
Forex Fluctuations	8.06	41.39
Office & General Expenses	2.29	2.50
Insurance	2.84	3.33
Professional Expenses	12.56	12.48
Printing & Stationery	0.05	0.13
Postage & Telegram	-	0.17
Rent (Refer note 2.38)	23.21	21.86
Repairs & Maintenance	2.48	3.98
STPI Service Charges	0.55	0.55
Travelling Expenses	1.69	1.18
Vehicle Maintenance	0.21	0.48
Loss on Sale of FA	0.24	-
	351.10	299.86

Note No 2.30: Auditor's Remuneration

(Rs. In Lakhs)

Particulars	FY 2023-24	FY 2022-23
a) Audit Fees	2.30	2.80
b) Other Charges		
Tax Audit	1.00	1.00
Quarterly reviews	1.20	1.20
c) Reimbursement of out of pocket expenses	-	-
Total	4.50	5.00

Note No 2.31: Earnings per share

Particulars	FY 2023-24	FY 2022-23
Earnings		
Profit attributable to equity holders	(312.27)	(184.17)
Shares		
Number of shares at the beginning of the year	5,25,40,000	5,25,40,000
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	5,25,40,000	5,25,40,000
Weighted average number of equity shares outstanding during the year – Basic	5,25,40,000	5,25,40,000
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	5,25,40,000	5,25,40,000
Earnings per share of par value Rs.2/- – Basic (INR)	(0.59)	(0.35)
Earnings per share of par value Rs.2/- – Diluted (INR)	(0.59)	(0.35)

Note No 2.32: Related Party

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, Company's Directors, members of the Company's Management Council and Company Secretary are considered as Key Management Personnel. List of related parties of the company are given below:

S. No.	Name of the Related Party	Nature of Relationship
1	V.A. Rama Raju	Key Managerial Personnel
2	V.Parvathi	Key Managerial Personnel
3	V. Tanuja	Relative of KMP
4	Reliance Tea Private Limited	EDS*
5	Vama Infrastructure and Equipment Limited	EDS*
6	Vama Technologies Pte Ltd	Wholly-owned subsidiary
7	Archana Pabba	Chief Financial Officer - Date of Joining on 29.05.2023
8	Bharath Kumar K	Company Secretary

* **EDS : Entity over which the director is having significant influence**

Related Party Transactions as on 31.03.2024

(Rs. In Lakhs)

S.No	Nature of Transaction	FY 2023-24					FY 2022-23				
		KMP	Relative of KMP	EDS	Subsidiary	Total	KMP	Relative of KMP	EDS	Subsidiary	Total
1	Directors Remuneration / Salary	19.01	5.46	-	-	24.47	17.94	-	-	-	17.94
2	Sales	-	-	-	99.85	99.85	-	-	-	-	-
3	Loan taken during the year	134.25	-	13.97	-	148.22	-	-	1.49	-	1.49
4	Repayment of borrowings	-	-	5.00	-	5.00	-	-	-	-	-
5	Advance received from customer	-	-	-	102.09	102.09	-	-	-	50.34	50.34

Balance with Related Parties:

S.No	Nature of Transaction	FY 2023-24					FY 2022-23				
		KMP	Relative of KMP	EDS	Subsidiary	Total	KMP	Relative of KMP	EDS	Subsidiary	Total
1	Short-term borrowings	-	-	143.22	-	143.22	-	-	-	-	-
2	Other current liabilities	-	-	-	135.71	135.71	-	-	-	133.46	133.46
3	Investments	-	-	-	4.93	4.93	-	-	-	4.93	4.93

Transactions with Related Parties during the year:

S. No.	Particulars	FY 2023-24	FY 2022-23
1	Directors Remuneration / Salary		
	V.A.Rama Raju	7.50	7.50
	V.Parvathi	2.28	2.28
	Gavireddy Siva *	-	2.76
	Bharath Kumar K	5.40	5.40
	Bandi Tejaswini **	-	2.33
	V Tanuja	5.46	-
	Archana Pabba***	3.83	-
2	Sales		
	Vama Technologies Pte Ltd	99.85	-
3	Short-term borrowings		
	V Atchyuta Rama Raju (net)	134.25	-
	Vama Infrastructure and Equipment Private Limited	5.00	-
	Reliance Tea Private Limited	8.97	1.49
4	Advance received from customer		
	Vama Technologies Pte Ltd (net)	102.09	50.34
5	Repayment of borrowings		
	Vama Infrastructure and Equipment Private Limited	5.00	-

* Date of Resign - 28-Sep-2022

** Date of Resign - 29-05-2023

*** Date of Joining - 29-05-2023

Note No 2.33: Expenditure / Earnings in Foreign Currency

Expenditure in Foreign Currency

(Rs. In Lakhs)

Particulars	FY 2023-24	FY 2022-23
Import Purchase / AMC Charges	-	27.81
Bank Charges	-	8.01
Total	-	35.82

Earnings in Foreign Currency

Particulars	FY 2023-24	FY 2022-23
Engineering Services	238.36	188.73
Consultancy Services	100.37	6.48
Total	338.73	195.21

Note No 2.34: Segment Reporting

The Company concluded that there is only one operating segment i.e., IT related services. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108, to the extent applicable.

Note No 2.35: Employee Benefit

Contribution to provident Fund

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributed Rs. 3.77 Lakhs and Rs. 3.76 Lakhs to the provident fund plan during the years ended 31st March 2023 and 2024, respectively.

Note No 2.36: Income Taxes

a. Income tax expense/ (benefit) recognized in the statement of profit and loss:

Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following

Particulars	FY 2023-24	FY 2022-23
Current taxes expense		
Domestic	-	-
Adjustments recognised in the current year in relation to prior years	-	-
Deferred taxes expense / (benefit)		
Domestic	19.01	(31.47)
Total income tax expense / (benefit) recognized in the statement of P & L	19.01	(31.47)

b. Income tax expense/ (benefit) recognized directly in equity

Income tax expense/ (benefit) recognized directly in equity consist of the following

Particulars	FY 2023-24	FY 2022-23
Tax effect on actuarial gains/losses on defined benefit obligations	-	-
Total income tax expense/(benefit) recognized in the equity	-	-

c. Reconciliation of Effective tax rate:

(Rs. In Lakhs)

Particulars	FY 2023-24	FY 2022-23
Profit before income taxes	(293.26)	(152.02)
Enacted tax rate in India	26.00%	26.00%
Computed expected tax	-	-
Effect of:		
Expenses not deductible for tax purposes	28.86	36.69
Expenses deductible for tax purposes	20.37	(26.44)
Taxable at Special Rates	-	-
Income tax	-	-
Effective tax rate	0.00%	0.00%

d. Deferred tax assets & Liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences are given below:

Particulars	FY 2023-24	FY 2022-23
Deferred tax assets / (liabilities) :		
Property, plant and equipment	-	(1.99)
Others	20.43	(30.37)
Net deferred tax assets / (liabilities)	20.43	(32.36)

e. Movement in deferred tax assets and liabilities during the year ended 31st March 2023

Particulars	As at 01.04.2022	Recognized in Statement of P & L	Recognized in equity	As at 31.03.2023
Deferred tax assets/(liabilities)				
Property, plant and equipment	(27.65)	(30.37)	-	2.72
Others	-	(1.99)	-	1.99
Net deferred tax assets / (liabilities)	(27.65)	(32.36)	-	4.71

e. Movement in deferred tax assets and liabilities during the year ended 31st March 2024

Particulars	As at 01.04.2023	Recognized in Statement of P & L	Recognized in equity	As at 31.03.2024
Deferred tax assets/(liabilities)				
Property, plant and equipment	2.72	-	-	2.72
Others	1.99	20.43	-	(18.44)
Net Deferred tax assets / (liabilities)	4.71	20.43	-	(15.72)

Note No 2.37: Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

Particulars	Carrying Value		Fair value	
	Mar-24	Mar-23	Mar-24	Mar-23
Financial assets				
Cash and cash equivalents	2.60	2.93	2.60	2.93
Investments	4.93	4.93	4.93	4.93
Trade Receivables	432.58	626.95	432.58	626.95
Other financial assets	359.84	279.45	359.84	279.45
Total	799.95	914.26	799.95	914.26
Financial liabilities				
Borrowings	201.88	631.54	201.88	631.54
Trade payables	87.34	80.79	87.34	80.79
Other financial liabilities	117.35	76.14	117.35	76.14
Total	406.57	788.47	406.57	788.47

Note No 2.38: Ind AS 116 – Leases

The Company has evaluated the impact of Ind AS 116 on the financials. As per the terms and conditions stipulated in the lease deeds, the termination option is available with both lessor and lessee leading to the same being treated as short term and impact charged to "Rent Expenses" (Refer Note No 2.28)

Note No 2.39: Financial Risk Management

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

a. Credit Risk:

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, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Trade Receivables - The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The total trade and other receivables impairment loss is provided Rs. NIL as at 31st March 2024 and NIL at 31st March 2023. On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Company took into consideration the weighted average number of delays taking into consideration deviation of receivables turnover ratio from normal credit period.

The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31 March 2024.

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31st March 2024 and 31st March 2023 are as follows:

Particulars	(Rs. In Lakhs)	
	FY 2023-24	FY 2022-23
Balance at the beginning of the year	-101.98	-101.98
Impairment Loss / (Gain) of Trade receivables	-	-
Balance at the end of the year	-101.98	-101.98

Liquidity Risks:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31st March, 2024 and 2023, the Company has utilized working capital credit limits (fund based) from banks of Rs.9.31 Lakhs and Rs 395.39 Lakhs respectively.

As of 31 March 2024, the Company had working capital (current assets less current liabilities) of Rs. 1,109.26 Lakhs including cash and cash equivalents of Rs.44.36 Lakhs. As of 31 March 2023, the Company had working capital of Rs. 1,453.83 Lakhs, including cash and cash equivalents of Rs. 82.81 Lakhs.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March, 2024
(Rs. In Lakhs)

Particulars	2024	2025	2026	Thereafter	Total
Trade payables	87.34	-	-	-	87.34
Long term borrowings	-	5.74	3.56	13.05	22.35
Bank overdraft, short-term loans and borrowings*#	179.53	-	-	-	179.53
Other liabilities*	117.35	-	-	-	117.35

* The Bank Overdraft and other liabilities are payable on demand.

Long term borrowings include current maturities of long term debt.

Market Risks:

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

Currency Risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The company mitigates the currency risk with natural hedge arising on export of goods and services.

CAPITAL MANAGEMENT

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

The company's Debt Equity ratio is as follows:

Particulars	FY 2023-24	FY 2022-23
Total Debt	201.88	631.54
Total Equity	1,453.28	1,761.33
Debt Equity Ratio	0.14:1	0.36:1

Note No 2.40: Contingent liabilities and Commitments

Particulars	FY 2023-24	FY 2022-23
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts		
Income tax for AY 2017-18 (refer note below)	86.38	-
b) Guarantees		
Bank Guarantees	181.47	382.19
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

The company has filed an appeal with CIT(A), Income Tax Department for AY 2017-18 on January 21, 2020 against tax demand of INR 86.38 lakhs against the order u/s 143(3) of the Income Tax Act, 1961 dated December 22, 2019, passed by the Assistant Commissioner of Income Tax, Circle-13(3)(2), Mumbai. The company received an order dated February 19, 2024 under Section 250 of the Income Tax Act, 1961 after appearing on various dates and providing of information as requested where the order stated that "order of AO is upheld and all the grounds of the company are noted as dismissed.

Aggrieved by the order, the company has filed appeal with Income Tax Appellate Tribunal, Mumbai Benches, Mumbai on April 13, 2024. The matter is pending for decision as on the date of signing of these financials.

Note No 2.41: Code on Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note No 2.42: Exceptional items

The Company during the year ended March 2024 has sold land at Izzathnagar, which has resulted in profit and the same is shown as exceptional item.

Note No 2.43: Gratuity Workings

(a) Amounts recognised in the balance sheet

(Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Present Value of Defined Benefit Obligations	24.17	17.49
Statement of Profit and Loss		
Current Service cost	1.89	1.97
Interest cost	1.81	1.28
Through Other Comprehensive Income		
Premeasurements - Due to Financial Assumptions	0.45	-0.31
Premeasurements - Due to Experience Adjustments	-6.08	3.74
Present Value of DBO at the end of period	22.24	24.17
Unrecognized Past Service Cost	-	-
Funded Status - (Deficit) / Surplus	-	-
Net (Liability) / Asset at the end of the current period	22.24	24.17

(b) Bifurcation of Short Term and Long Term Liability

Particulars	As at 31.03.2024	As at 31.03.2023
Current Liability (Short Term) - refer note 2.21)	11.09	10.66
Non-Current Liability (Long Term) (refer note 2.17)	11.15	13.51

(c) Expenses recognised in the Statement of Profit and Loss and Other comprehensive income

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Total Expense recognised in the income statement	3.70	3.25
Amount to be recognised in Other Comprehensive Income	-5.63	3.43

(d) Sensitivity analysis

Scenario	Assumption	DBO	Variation
Under Base Scenario	0	22.24	0.00%
Salary Increase Rate - Plus 100 Basis Points	3.00%	23.87	7.31%
Salary Decrease Rate - Minus 100 Basis Points	1.00%	20.85	-6.26%
Withdrawal Rates - Plus 100 Basis Points	3.00%	23.13	3.98%
Withdrawal Rates - Minus 100 Basis Points	1.00%	21.25	-4.47%
Discount Rates - Plus 100 Basis Points	8.20%	20.83	-6.36%
Discount Rates - Minus 100 Basis Points	6.20%	23.91	7.50%

Note No 2.44A: Trade Payables ageing schedule as on 31.03.2024

(Rs. In Lakhs)

Particulars	Trade Payables ageing schedule			
	Outstanding for following periods from the date of transaction			
	Less than 1 year	1-2 years	2-3 years	Total
(i) MSME	-	-	-	-
(ii) Others	19.60	-	67.74	87.34
(iii) Disputed dues - MSME and others	-	-	-	-
Total	19.60	-	67.74	87.34

Trade Payables ageing schedule as on 31.03.2023

Particulars	Trade Payables ageing schedule			
	Outstanding for following periods from the date of transaction			
	Less than 1 year	1-2 years	2-3 years	Total
(i) MSME	-	-	-	-
(ii) Others	-	-	80.79	80.79
(iii) Disputed dues - MSME and others	-	-	-	-
Total	-	-	80.79	80.79

Note No 2.44B: Trade Receivables ageing schedule as on 31.03.2024

Particulars	Outstanding for following periods from the date of Transaction					
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables — considered good	318.29	12.79	6.86	2.28	92.35	432.58
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good and doubtful	-	-	-	-	-	-
Total	318.29	12.79	6.86	2.28	92.35	432.58

Trade Receivables ageing schedule as on 31.03.2023

Particulars	Outstanding for following periods from the date of Transaction					
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables — considered good	216.05	53.28	7.47	50.14	300.01	626.95
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good and doubtful	-	-	-	-	-	-
Total	216.05	53.28	7.47	50.14	300.01	626.95

Note No 2.44C: Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	Explanation
Current Ratio	Current Assets	Current Liabilities	2.24	2.70	On account of significant decrease in Borrowings, consequently decrease in Current Liabilities
Debt Equity	Total Debt	SH Equity	0.14	0.36	On account of significant decrease in Borrowings i.e. repayment by the company
DSCR	Earnings for Debt Service	Debt Service	(8.98)	(0.25)	On account of principal repayment and decrease in borrowings.
Return on Equity	PAT	Average SH Equity	(0.18)	(0.09)	ROE decreased due to decrease in the net income of the company.
Inventory Turnover Ratio	Total Sales	Average Inventory	0.38	0.80	The Inventory Turnover Ratio decreased from 1.07 (previous year) to 0.80 (current period). This suggests a slower inventory turnover rate, due to decrease in turnover and purchase of inventory in anticipation of demand.
Trade Receivables Turn Over	Total Sales	Average Accounts Receivable	1.22	1.02	Nil
Trade Payables Turn Over	Total Purchases	Average Trades Payable	1.62	1.09	This indicates an improvement in the rate at which the company settles its trade payables.
Net Capital Turn Over	Total Sales	Avg Working Capital	0.41	0.72	On account change in the working capital, but company is able to maintain Turnover.
Net Profit Ratio	Net Profit	Net Sales	-86.81%	-16.06%	On account of increase in Direct Expenses, Other Overheads, Consequently decrease in profit.
Return on Capital Employed	EBIT	Capital Employed	-35.60%	-9.27%	Due to reduce in the Profitability the ROCE is decreased.
Return on Investment	Net Profit	Opening SH Equity	-25.68%	-7.80%	On account of increase in Direct Expenses, Other Overheads, Consequently decrease in profit.

* Explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year

Note:

Total Debt = Long Term Borrowings + Short Term Borrowings

SH Equity = Paid up Capital + Free Reserves

Earnings for Debt Service = PAT + Deferred Tax + Depreciation + Interest on TL & VL +/- Loss/Profit on sale of FA

Debt Service = Interest on TL & VL + Lease Payments (in case of Finance Lease) + Principal Repayment

Capital Employed = Total Assets - Current Liabilities (Excl. Short Term Borrowings)

EBIT = PBT + Interest

Average balances are arrived based on accounting period beginning and ending balances

Note No 2.44D: Assets Pledged as Security : Also refer note 2.18A for detailed disclosure

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Non-Current Assets:		
Land	-	209.25
Current Assets:		
Inventories	1,321.26	1,432.09
Trade Receivables	330.60	524.97
	1,651.86	2,166.31

Note No 2.44E: Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken

Note No 2.44F: Borrowing secured against current assets

The company has availed the borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.

(Rs. In Lakhs)

Particulars	2023-24		2022-23	
	As per Books	As per Stock Report Bank	As per Books	As per Stock Report Bank
Sundry Debtors as on 30.06.2023/30.06.2022	732.47	452.04	726.76	637.91
Sundry Debtors as on 30.09.2023/30.09.2022	684.92	413.34	1,235.96	1,154.30
Sundry Debtors as on 31.12.2023/31.12.2022	715.25	431.53	699.66	636.31
Sundry Debtors as on 31.03.2024/31.03.2023	468.44	430.98	566.06	541.35
Inventory as on 30.06.2023/30.06.2022	1,394.53	1,432.09	1,434.06	1,434.06
Inventory as on 30.09.2023/30.09.2022	1,380.27	1,419.50	1,432.04	1,432.04
Inventory as on 31.12.2023/31.12.2022	1,379.22	1,419.50	1,465.45	1,432.04
Inventory as on 31.03.2024/31.03.2023	1,321.26	1,379.22	1,432.09	1,432.09

The difference is mainly because the bank doesn't finance debtors with ageing above 90 days and also there is income accrued but not due on which the bank doesn't finance loan and as such the same was not reported in the statement submitted to bank. With regards to inventory there has been differences due to non-updation of the workings and error in formula in the reports submitted to banks, leading to difference.

Note No 2.44G Relationship with struck off companies

The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013

Note No 2.44H Registration of charges or satisfaction with Registrar of Companies (ROC)

During the year, the company has modified the Charge (ID: 10170092) which was created in favour of State Bank of India, on account of downward revision in the credit facilities from Rs.11.08 Crores to Rs.2.10 Crores. Further, The Company has sold its freehold immovable property (land) admeasuring 450.0 Sq. yards or 376.20 Sq. Meters situated at Izzathnagar Village, Hyderabad through sale deed dated 08.01.2024.

For the unsatisfied charges please refer the below table:

Description of the Charge	Amount	Location of Registrar	Delay of Filing in No. of Days	Reason for Delay
Satisfaction of the Charge	9.80	RoC-Hyderabad	The charges were created on different dates in FY 2015 on vehicles in favour of financial Institution(s)/Bank for the term loans availed. The borrowings were paid in full but the documents of filing of satisfaction of charges is under process and the relevant records are being retrieved and collected.	
Satisfaction of the Charge	9.70	RoC-Hyderabad		
Satisfaction of the Charge	11.00	RoC-Hyderabad		

Note No 2.44I: Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

Note No 2.44J: Title Deeds of Immovable Properties

Land was sold in FY 2023-24, which is also shown as an exceptional item (refer note 2.42). As on the reporting date there is no immovable property present in the books of the company as such reporting under this clause is not applicable.

Note No 2.44K: Valuation of Property Plant & Equipment, Intangible Asset

The company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

Note No 2.44L: Loans or advances to specified persons

No loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

Note No 2.44M: Details of benami property held

No proceedings have been initiated on or pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

Note No 2.44N: Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

Note No 2.44O: Compliance with number of layers of companies

The company has complied with the number of layers prescribed under Section 2(87) of Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

Note No 2.44P: Details of Crypto currency or virtual currency

The company has not traded or invested in Crypto Currency or virtual currency during the current or previous year

Note No 2.44Q: Utilisation of borrowed funds and share premium

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 company 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 lend or invest in party identified by or on behalf of the company (Ultimate beneficiaries). The company has not received any fund from any party (Funding Party) with the understanding that the company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note No 2.44R: Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**As per our report of even date
for M/s. P. Suryanarayana & Co.,**
Chartered Accountants

Sd/-
P. Suryanarayana
Partner
M.No. 201195
Firm Regn No. 009288S

Place: Hyderabad
Date: May 29, 2024

For and on behalf of the Board of

Sd/-
V. Achyutha Rama Raju
Chairman & Managing Director
DIN : 00997493

Sd/-
Archana Pabba
Chief Financial officer

Sd/-
V. Parvathi
Executive Director
DIN : 01240583

Sd/-
K Bharath Kumar
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VAMA INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements:

Opinion

1. We have audited the accompanying Consolidated Financial Statements of M/s Vama Industries Limited ("the Holding Company") and its wholly owned subsidiary (Holding Company and its subsidiary together referred to as "the Group"), (refer Note 1 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, 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 for the year ended on that date, and notes to the consolidated financial statements including material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
2. 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2024 of consolidated total comprehensive income (comprising of loss and other comprehensive expense), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit 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 ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

SI No.	The Key Audit Matters	Auditor's Response
1	<p>Revenue Recognition</p> <p>Revenue from the sale of goods and sale of Service (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods and sale of service is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 9 to the Consolidated Financial Statements - Significant Accounting Policies</p>	<p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> - Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. - Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls. - Evaluating the design and implementation of Company's controls in respect of revenue recognition. - Testing the effectiveness of such controls over revenue cut off at year-end. - Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period. - Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our and other auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the 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 appropriate action as applicable under the relevant laws and regulations.

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

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid
7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - (a) 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.
 - (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- (d) 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 ability of the Group 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.
 - (e) 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.
 - (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company included in the consolidated financial statements of which we are the independent auditors 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.
 12. 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.
 13. 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

14. We did not audit the financial statements of wholly owned subsidiary M/s Vama Technologies Pte Ltd., Singapore, ("the Subsidiary") whose financial statements reflect total assets of INR 272.19 lakhs and net assets of INR 229.06 lakhs as at March 31, 2024, total revenues of INR 131.91 lakhs and total comprehensive loss (comprising of loss and other comprehensive income) of INR 66.11 lakhs, and net cash flows amounting to INR 15.90 lakhs for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries 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 subsidiaries is based solely on the reports of the other auditor.

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 matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

15. This report does not contain a statement on the matter specified in paragraph 3(xxi) of 'the Companies (Auditor's Report) Order, 2020' ("CARO 2020") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act as, in our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to any of the subsidiaries included in these consolidated financial statements.
16. 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 of the aforesaid 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 the reports of the other auditor except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

- 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 Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the Holding Company's directors as on April 01, 2024 taken on record by the Board of Directors of the Holding Company, none of the Holding Company's directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above on reporting under Section 143(3)(b) and paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Rules.
- g. As there are no subsidiaries incorporated in India, this report does not contain a separate report on the internal financial controls with reference to consolidated financial statements of the Group under clause (i) of sub-section 3 of 143 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
- (i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group. Refer Note 2.39 to the consolidated financial statements.
- (ii) The Group did not have any long-term contracts including derivative contracts as at March 31, 2024 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 Holding Company.
- (iv) (a) The management of the holding company has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 Holding Company 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 2.42I to the consolidated financial statements);
- (b) The management of the holding company has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds which are material either individually or in the aggregate have been received by the Holding Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, 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 (Refer Note 2.42I to the consolidated financial statements); and
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- Reporting under Rule 11(e) of Companies (Audit and Auditors) Amendment Rules, 2021 is not applicable to the subsidiaries of the Holding company, as there are no subsidiaries incorporated in India
- (v) According to the information and explanations given to us, the Holding Company has not declared or paid any Dividend during the year.
- Reporting under Rule 11(f) of Companies (Audit and Auditors) Amendment Rules, 2021 is not applicable to the subsidiaries of the Holding Company, as there are no subsidiaries incorporated in India.

- (vi) Based on our examination, the Holding Company has used accounting software Tally ERP 9.0 and is in the process of establishing necessary controls and maintaining documentation regarding audit trail. Consequently, we are unable to comment on the audit trail feature of the aforesaid software. Accordingly, the question of our commenting on whether the audit trail had operated throughout the year or was tampered with, does not arise.

Reporting under Rule 11(g) of Companies (Audit and Auditors) Amendment Rules, 2021 is not applicable to the subsidiaries of the Holding Company, as there are no subsidiaries incorporated in India.

17. The holding Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For P Suryanarayana & Co.,
Chartered Accountants**

Sd/-

P. Suryanarayana

Partner

M. No. 201195

Firm Regn. No. 009288S

UDIN: **24201195BKAPOX5855**

Place: Hyderabad

Date: May 29, 2024

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2024



(₹ In Lakhs)

Particulars	Note No	As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-Current Assets			
Property, plant and equipment	2.01	66.74	224.75
Intangible assets	2.02	104.78	124.65
Financial Assets			
(i) Other bank balances	2.03	22.59	29.47
(ii) Other financial assets	2.04	180.61	65.86
Other non-current assets	2.05	7.85	18.31
		382.57	463.03
Current Assets			
Inventories	2.06	1,321.26	1,432.09
Financial Assets			
(i) Trade receivables	2.07	453.61	646.30
(ii) Cash and cash equivalent	2.08	4.99	21.21
(iii) Bank balances Other than (ii) above	2.08	41.76	79.88
(iv) Other financial assets	2.09	125.95	204.91
Current tax assets	2.10	37.83	28.56
Other current assets	2.11	155.05	147.19
		2,140.44	2,560.14
Total Assets		2,523.01	3,023.17
Equity and Liabilities			
Equity			
Equity share capital	2.12	1,050.80	1,050.80
Other equity	2.13	626.53	1,000.70
		1,677.33	2,051.50
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.14	16.61	144.35
Deferred Tax Liabilities (Net)	2.15	15.72	(4.71)
Long term Provisions	2.16	11.15	13.51
		43.48	153.15
Current Liabilities			
Financial Liabilities			
(i) Borrowings	2.17	49.54	487.19
(ii) Trade payables	2.18		
Dues to micro and small enterprises		-	-
Dues to Creditors other than micro and small enterprises		109.24	152.53
(iii) Other financial liabilities	2.19	138.66	84.94
Short-term Provisions	2.20	32.04	16.34
Other current liabilities	2.21	472.72	77.52
		802.20	818.52
Total equity and liabilities		2,523.01	3,023.17

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our report of even date
for **P. Suryanarayana & Co.,**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

P. Suryanarayana
Partner
M.No. 201195
Firm Regn No. 009288S

Sd/-

V. Achyutha Rama Raju
Chairman & Managing Director
DIN : 00997493

Sd/-

V. Parvathi
Executive Director
DIN : 01240583

Sd/-

Archana Pabba
Chief Financial officer

Sd/-

K Bharath Kumar
Company Secretary

Place: Hyderabad
Date: May 29, 2024

(₹ In Lakhs)

Particulars	Note No	For the year Ended 31.03.2024	For the year Ended 31.03.2023
Income			
Revenue from Operations	2.22	568.41	1,281.40
Other Income	2.23	5.49	223.66
Total Revenue		573.90	1,505.06
Expenses			
Cost of Material Consumed	2.24	191.98	921.18
Changes in Inventories	2.25	110.83	3.23
Employee Benefit Expenses	2.26	191.44	182.03
Finance Cost	2.27	163.94	123.91
Depreciation and Amortisation Expenses	2.01	25.29	24.47
Other Expenses	2.28	408.91	303.54
Total Expenses		1,092.39	1,558.36
Loss Before Tax		(518.49)	(53.30)
Exceptional Item	2.41	159.12	-
Tax Expenses			
i) Current Tax		-	5.68
ii) Previous Years Tax Provision		-	63.62
iii) Deferred tax		19.01	(31.47)
Loss for the Year		(378.38)	(91.13)
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss		5.63	(3.43)
Tax on items that will not be reclassified to profit & Loss		(1.42)	0.89
Total Other Comprehensive Income/(Loss) for the year net of Taxes		4.21	(2.54)
Total Comprehensive Loss for the Year		(374.17)	(93.67)
Earning per Share			
Basic Earning Per share @ Rs. 2/- Each	2.30	(0.72)	(0.17)
Diluted Earning Per share @ Rs. 2/- Each	2.30	(0.72)	(0.17)

The accompanying Significant accounting policies and notes form an integral part of the consolidated financial statements.

**As per our report of even date
for P. Suryanarayana & Co.,**
Chartered Accountants

Sd/-
P. Suryanarayana
Partner
M.No. 201195
Firm Regn No. 009288S

**Place: Hyderabad
Date: May 29, 2024**

For and on behalf of the Board of Directors

Sd/-
V. Achyutha Rama Raju
Chairman & Managing Director
DIN : 00997493

Sd/-
Archana Pabba
Chief Financial Officer

Sd/-
V. Parvathi
Executive Director
DIN : 01240583

Sd/-
K Bharath Kumar
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024



(₹ In Lakhs)

Particulars	For the year Ended 31.03.2024	For the year Ended 31.03.2023
A. Cash flow from Operating activities		
Net Profit before tax as per profit and loss account	(359.37)	(53.30)
Adjustments		
Depreciation and Amortisation Expense	25.29	24.47
Dividend and Interest Income	5.49	(73.67)
Finance Cost	163.94	123.91
Actuarial Gain / Loss	(1.93)	(3.43)
Provision for Others	68.57	-
Bad debts written off	257.91	144.12
Creditors Written back	-	(149.99)
Net Profit on sale of fixed assets	(158.89)	-
Operating profit before working capital changes	1.02	12.11
Movements in Working Capital		
(Increase)/Decrease in Trade and Other Receivables	(65.22)	877.82
(Increase)/Decrease in Inventories	110.83	3.14
Changes in other financial assets	78.96	68.93
Changes in Other Current Assets	20.72	428.98
Increase/(Decrease) in Trade Payables	(43.30)	(1,241.81)
Increase/(Decrease) in Other Financial Liabilities	53.72	(39.56)
(Increase)/Decrease in Other Current Liab.	344.26	(40.82)
Net Cash generated from operating activities	500.98	68.79
B. Cash flow from Investing Activities		
(Purchase) / Sale of Fixed Assets (Net)	311.48	-
Change in Other Financial Assets (Non-current)	(107.87)	97.08
Changes in Other Non-Current Assets	10.46	12.97
(Increase)/Decrease in Other Long Term Liab. / Long Term Prov.	3.27	-
Dividend and Interest Income received	(5.49)	73.67
Net Cash generated from Investment Activities	211.85	183.72
C. Cash Flow from Financing Activities		
Proceeds / (Repayment) from Long Term Borrowings	(127.74)	(62.09)
Proceeds / (Repayment) from Short Term Borrowings	(437.65)	(70.44)
Finance Cost	(163.94)	(123.91)
Net cash used in financing activities	(729.33)	(256.44)
Net (Decrease) / Increase in cash and cash equivalents	(16.50)	(3.93)
Cash and cash equivalents at the beginning of the year	23.30	27.23
Cash and Cash equivalents at the end of the year	6.80	23.30

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements" (Ind AS-7)

2. The accompanying notes are an integral part of the consolidated financial statements.

**As per our report of even date
for P. Suryanarayana & Co.,
Chartered Accountants**

Sd/-

P. Suryanarayana
Partner
M.No. 201195
Firm Regn No. 009288S

For and on behalf of the Board of Directors

Sd/-

V. Achyutha Rama Raju
Chairman & Managing Director
DIN : 00997493

Sd/-

V. Parvathi
Executive Director
DIN : 01240583

Sd/-

**Place: Hyderabad
Date: May 29, 2024**

Archana Pabba
Chief Financial officer

Sd/-

K Bharath Kumar
Company Secretary

Statement of Changes in Equity

(Rs. In Lakhs)

Equity share capital	Opening Balance as at 01.04.2023	Changes in equity share capital during the year	Closing Balance as at 31.03.2024
52,540,000 Equity Shares @ Rs. 2/- Each, fully paid up	1,050.80	-	1,050.80
	1,050.80	-	1,050.80

Equity share capital	Opening Balance as at 01.04.2022	Changes in equity share capital during the year	Closing Balance as at 31.03.2023
52,540,000 Equity Shares @ Rs. 2/- Each, fully paid up	1,050.80	-	1,050.80
	1,050.80	-	1,050.80

Particulars	Retained Earnings	Securities Premium	Actuarial Gains or Losses	Total Equity
Balance as at 01/04/2023	630.70	370.00	-	1,000.70
Loss for the year	(378.38)	-	-	(378.38)
Actuarial gain / (loss) on post-employment benefit obligations, net of tax benefit	4.21	-	-	4.21
Balance as at 31/03/2024	256.53	370.00	-	626.53

Particulars	Retained Earnings	Securities Premium	Actuarial Gains or Losses	Total Equity
Balance as at 01/04/2022	724.37	370.00	-	1,094.37
Loss for the year	(91.13)	-	-	(91.13)
Less: Short Provision ol for the Year 22-23	-	-	-	-
Actuarial gain / (loss) on post-employment benefit obligations, net of tax benefit	(2.54)	-	-	(2.54)
Balance as at 31/03/2023	630.70	370.00	-	1,000.70

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1:

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES OF CONSOLIDATED FINANCIAL STATEMENTS

A. General Information

Vama Industries Limited (“the Holding Company”) and its subsidiary (together “the Group”) are engaged in the Engineering Design & Development Services, System Integration Projects, IT Infrastructure, Data Center Engineering Build and Facility Management Services. The Company has business operations mainly in India and Singapore countries. The Company is a public limited company incorporated and domiciled in India and has its registered office at S.R.Nagar, Hyderabad, Telangana. The Company has its primary listings on the Bombay Stock Exchange. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated

Basis of preparation and presentation of Financial Statements

The Consolidated financial statements of Vama Industries Limited (“the Holding Company”) and its subsidiary (together “the Group”) have been prepared and presented in accordance with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

Basis of Measurement

These consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- Derivative financial instruments are measured at fair value.
- Employee defined benefit assets / (liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation, and
- All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization / settlement within twelve months period from the balance sheet date.

The following are the details of subsidiaries considered for the purpose of Consolidation:

Name of Enterprise	Country of Incorporation	Nature of Business	Shareholding/ Controlling interest
VAMA Technologies Pte. Ltd	Singapore	IT & Engineering Services	100%

B. Use of estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make Judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgments are:

i) Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

ii) Employee Benefits

The present value of the employee benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

iii) Provision and contingencies

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

iv) Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgement is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc., as applicable based on the fair value hierarchy i.e. Level I inputs, Level II inputs and Level III inputs specified in IND AS 113.

Scope of Consolidation

The consolidated financial statements have been prepared on the following basis:

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

They are deconsolidated from the date that control ceases. Fully consolidated means recognition of all assets and liabilities and items in the income statement in full. Thereafter the portion of net profit and equity is allocated between the owners of the Holding Company and non-controlling interest. Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

The financial statements of group companies are consolidated on line by line basis and Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

A. Functional and presentation currency

These consolidated financial statements are presented in Indian rupees, which is also the functional currency of the group. All financial information presented in Indian rupees has been rounded to the nearest lakhs.

In respect of subsidiary that operates as an extension of reporting entity of our parent company, rather than carried out with a significant degree of autonomy in their respective countries/regions, the functional currency has been determined to be the functional currency of our parent company (i.e., the Indian rupee). The operations of this subsidiary are largely restricted and influenced by the parent company for fixing the Sale Price and Costs of the goods and services and the subsidiary financing activities are funded by the parent company. The import of goods and services from our parent company in India, sale of these products in the foreign country and making of import payments are retained by our parent company.

In respect of subsidiary whose operations are integrated within their parent company, the functional and presenting currency has been determined to be the local currency of parent company.

B. Current and noncurrent classification

All the assets and liabilities have been classified as current or noncurrent as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- It is held primarily for the purpose of being traded;
- It is expected to be settled in the Group's normal operating cycle;
- It is due to be settled within twelve months after the reporting date; or
- The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent. Deferred tax assets and liabilities are always disclosed as non-current.

C. Foreign Currency Transaction

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the consolidated statement of profit and loss in the period in which they arise.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction, if any.

Group Entities

The results and financial position of all the group entities are having a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each Statement of Profit and Loss are translated at date of transaction exchange rates and
- All resulting exchange differences are recognized in Profit & Loss account
- On disposal of a foreign operation, the associated exchange differences are reclassified to the Statement of Profit and Loss, as part of the gain or loss on disposal.

Significant Accounting Policies

1) Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets include the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Directly attributable costs include:

- a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE or from relevant Product
- b. Cost of site preparation
- c. Initial Delivery & Handling costs
- d. Professional Fees and

- e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within in the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment based on Schedule II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on prorata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Computers	3
Furniture & Fixtures	10
Air Conditioner	15
Electrical Fittings	10
Vehicles	8
Office Equipment	5

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The cost of property, plant and equipment not ready to use before such date are disclosed under Capital work-in-progress. Assets not ready for use are not depreciated.

2) Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Group and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Type of Asset	Estimated useful life
<i>Intangible Assets</i>	
Software	3

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

3) 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 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 asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets at fair value through profit or loss (FVTPL)
- Impairment of financial assets

Financial Assets at amortised cost

A Financial Asset is measured at the amortised cost if both the following conditions are met:

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

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 other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial Assets at FVTOCI

A Financial Asset is classified as at the FVTOCI if both of the following criteria 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.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest earned whilst holding FVTOCI is reported as interest income using the EIR method.

Financial Assets at FVTPL

FVTPL is a residual category for Financial Assets. Any asset, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL. These include surplus funds invested in mutual funds.

Investment in Mutual Funds

Mutual funds investment in scope of Ind AS 109 are measured at fair value. For all other instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

An investment in Mutual funds in the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1 April 2016.

Retention Money

Retention money is amount retained by the client/ service receiver under an agreement where, money is not paid instantaneously. There will be a time loss of value of consideration which needs to be recognised by determining the fair value of revenue in accordance with Ind AS 18.

As per Ind AS 113 and 109 discounting of the retention money is required and recognised and designated as revenue or interest as Fair Value Through Profit & Loss (FVTPL).

Impairment of trade receivables

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Group took into consideration the weighted average number of delays taking into consideration deviation of receivables turnover ratio from normal credit period.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (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.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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, 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, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss

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/ losses are not subsequently transferred to the 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 and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the 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.

4) Inventories

Inventories consist of goods and are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognised as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

5) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

6) Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, “short-term” means investments having maturity of three months or less from the date of investment. Bank overdrafts and Cash Credit that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits and unclaimed dividend balances shall be disclosed as restricted cash balances.

7) Employee Benefits

Short term employee benefits

Short-term employee benefits 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 obligation can be estimated reliably.

Defined Contribution Plan

The Group’s contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates based on prevailing market yields of Indian Government Bonds and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Termination benefits

Termination benefits are recognized as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Group's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

8) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

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

Contingent assets

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

9) Revenue Recognition

Sale of goods and services

Revenue from sale of computer hardware is recognized on dispatch of the products from the company for delivery to the customers. Revenue from product sale is shown net of tax separately charged and discounts as applicable.

Revenue from IT Services consists of earnings from services performed on a 'time and material' basis and fixed price contracts. The related revenue is recognized as and when the services are performed and delivered.

Revenue from Annual Maintenance Contracts (AMCs) is recognized on accrual basis as per the Contracts / Agreements entered with the Clients.

Other Income

Interest Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Group's right to receive dividend is established.

10) Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity. Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase,

construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held. Grants related to income are government grants other than those related to assets. A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable. Export incentives in the form of MEIS scrips and power subsidy receivable by the company do not fall under the scope of Ind AS 115 and are accounted for in accordance with the provisions of Ind AS 20 considering such incentives as Government Assistance. Accordingly, government grant relating to Income is recognised on accrual basis in Profit and Loss statement and when the terms and conditions related to export performance obligations are met.

11) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Group incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the 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.

12) Tax Expenses

Tax expense consists of current and deferred tax.

Income Tax

Income tax expense is recognized in the consolidated statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Group and all such taxes are recognized in the statement of changes in equity as part of the associated dividend payment. Tax on Dividends declared by the Group are recognised as an appropriation of Profit. Dividend Distribution Tax is not applicable from April 1, 2020.

13) Earnings Per Share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

14) Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

15) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not

due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

16) Determination of fair values

The Group's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. 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.

a. Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

b. Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

c. Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

d. Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

e. Derivatives

The fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of foreign currency option and swap contracts and interest rate swap contracts is determined based on the appropriate valuation techniques, considering the terms of the contract.

f. Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. In respect of the Company's borrowings that have floating rates of interest, their fair value approximates carrying value.

Note No 2.01: Property, plant and equipment

(Rs. In Lakhs)

Particulars	Gross Carrying Value				Accumulated Depreciation / Impairment					Net Carrying Value	
	As at 01.04.2023	Additions	Disposals	As at 31.03.2024	As at 01.04.2023	for the Year	Impairment Year	Disposals	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer equipment	162.04	57.96	-	220.00	153.93	4.58	-	-	158.51	61.49	8.10
Furniture & Fixtures	30.00	-	-	30.00	27.88	0.25	-	-	28.13	1.86	2.11
Air Conditioners	7.66	-	-	7.66	6.01	0.21	-	-	6.22	1.44	1.65
Electrical Fittings	7.64	-	-	7.64	6.86	0.15	-	-	7.01	0.63	0.78
Office Equipment	13.06	-	-	13.06	12.41	-	-	-	12.41	0.65	0.65
Vehicles	34.21	-	20.91	13.30	32.00	0.23	-	19.60	12.63	0.67	2.21
Land(refer note 2.40)	209.25	14.13	223.38	-	-	-	-	-	-	-	209.25
	463.85	72.09	244.29	291.66	239.10	5.42	-	19.60	224.92	66.74	224.74

Particulars	Gross Carrying Value				Accumulated Depreciation / Impairment					Net Carrying Value	
	As at 01.04.2022	Additions	Disposals	As at 31.03.2023	As at 01.04.2022	for the Year	Impairment Year	Disposals	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer equipment	162.04	-	-	162.04	153.93	-	-	-	153.93	8.10	8.10
Furniture & Fixtures	30.00	-	-	30.00	27.62	0.26	-	-	27.88	2.11	2.37
Air Conditioners	7.66	-	-	7.66	5.80	0.21	-	-	6.01	1.65	1.86
Electrical Fittings	7.64	-	-	7.64	6.51	0.35	-	-	6.86	0.78	1.13
Office Equipment	13.06	-	-	13.06	12.41	-	-	-	12.41	0.65	0.65
Vehicles	34.21	-	-	34.21	28.18	3.82	-	-	32.00	2.21	6.01
Land	209.25	-	-	209.25	-	-	-	-	-	209.25	209.25
	463.85	-	-	463.85	234.46	4.64	-	-	239.10	224.74	229.37

Note No 2.02: Intangible assets

Particulars	Gross Carrying Value				Accumulated Depreciation / Impairment					Net Carrying Value	
	As at 01.04.2023	Additions	Disposals	As at 31.03.2024	As at 01.04.2023	for the Year	Impairment Year	Disposals	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer Software	412.77	-	-	412.77	288.12	19.87	-	-	307.99	104.78	124.65
	412.77	-	-	412.77	288.12	19.87	-	-	307.99	104.78	124.65

Particulars	Gross Carrying Value				Accumulated Depreciation / Impairment					Net Carrying Value	
	As at 01.04.2022	Additions	Disposals	As at 31.03.2023	As at 01.04.2022	for the Year	Impairment Year	Disposals	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer Software	412.77	-	-	412.77	268.29	19.83	-	-	288.12	124.65	144.48
	412.77	-	-	412.77	268.29	19.83	-	-	288.12	124.65	144.48

Note No 2.03: (i) Other bank balances

(Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Other Bank Balances		
Fixed Deposits with Bank (Lien against bank Guarantee please refer note no 2.39)	22.59	29.47
	22.59	29.47

Note No 2.04: (iii) Other financial assets

Particulars	As at 31.03.2024	As at 31.03.2023
Deposits and Others		
Tender Deposits	129.18	-
Retention Money	51.43	65.86
	180.61	65.86

Note No 2.05: Other non-current assets

Particulars	As at 31.03.2024	As at 31.03.2023
Un-secured considered good		
Utility deposits	1.20	1.20
Prepaid Expenses	6.65	17.11
	7.85	18.31

Note No 2.06: Inventories

Particulars	As at 31.03.2024	As at 31.03.2023
(Valued at Lower of Cost or Net Realisable Value)		
Stock - In Trade	1,321.26	1,432.09
	1,321.26	1,432.09

Note No 2.07: (i) Trade receivables

Particulars	As at 31.03.2024	As at 31.03.2023
(Un-Secured Considered Good)		
Outstanding for a period exceeding six months from the date they are due for payment	130.05	382.75
Others	150.12	138.37
Unbilled receivables *	275.42	227.16
	555.59	748.28
Less: Probability of default and provision for impairment	(101.98)	(101.98)
	453.61	646.30

(Rs. In Lakhs)

Movement of impairment in Trade receivables		
Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	101.98	101.98
Add: Additional Allowance of Expected Credit Loss	-	-
Less: Additional Allowance of Expected Credit Gain	-	-
	101.98	101.98

*Trade receivable include "Income Accrued but not due" of INR 275.42 Lakhs (previous year INR 227.16 lakhs)
Refer note 2.17(a) for the hypothecation details

Note No 2.08: (ii) Cash and cash equivalents

Particulars	As at 31.03.2024	As at 31.03.2023
a) Cash & Cash Equivalents		
Cash on hand	0.86	1.99
Balance in banks		
- Balance in current account	4.13	19.22
b) Other Bank Balances (with restricted use)		
- Unclaimed dividend account	1.81	2.09
- Fixed deposits with bank (Lien against bank guarantee refer note no 2.39)	39.95	77.79
	46.75	101.09

Note No 2.09: (iv) Other financial assets

Particulars	As at 31.03.2024	As at 31.03.2023
Interest accrued but not due on FD's	2.35	3.38
Loans and Advances to Employees	91.99	66.13
Rental deposits	7.40	6.85
Other financial assets	0.97	0.52
Retention money	23.24	128.03
	125.95	204.91

Note No 2.10: Current tax assets

Particulars	As at 31.03.2024	As at 31.03.2023
Current tax Assets		
Current tax Assets – Net	37.83	28.56
	37.83	28.56

Note No 2.11: Other current assets

Particulars	As at 31.03.2024	As at 31.03.2023
Prepaid Expenses	15.86	29.87
Advance to suppliers / expenses	98.00	72.92
Balance with Govt. Authorities	41.19	44.40
	155.05	147.19

Note No 2.12: Equity share capital

(Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Authorised Share Capital 5,50,00,000 Equity Shares of Rs.2/-Each (Previous year: 5,50,00,000 equity shares Rs.2 each)	1,100.00	1,100.00
Issued Subscribed and paid up Share Capital 52,540,000 equity shares @ Rs.2/- each, fully paid-up	1,050.80	1,050.80
	1,050.80	1,050.80

Details of shareholders holding more than 5% shares in the company:

Name of the Shareholder	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	% Holding	No. of Shares	% Holding
1. V Atchyuta Rama Raju	1,25,55,120	23.90%	1,25,55,120	23.90%
2. V Rajam Raju	58,02,500	11.04%	58,02,500	11.04%
3. Gottimukkala Atchyuta Rama Raju	8,99,163	1.71%	29,97,210	5.70%
Total	1,92,56,783	36.65%	2,13,54,830	40.64%

Details of Shareholding of promoters & Promoter Group:

Name of the Promoter & Promoter Group	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	% Holding	No. of Shares	% Holding
1. V Atchyuta Rama Raju	1,25,55,120	23.90%	1,25,55,120	23.90%
2. V Rajam Raju	58,02,500	11.04%	58,02,500	11.04%
3. Gottimukkala Atchyuta Rama Raju	8,99,163	1.71%	29,97,210	5.70%
4. V Parvathi	7,74,500	1.47%	7,74,500	1.47%
5. Indukuri Uma Vani	50,000	0.10%	50,000	0.10%
6. Indukuri Mohan Raju	53,500	0.10%	53,500	0.10%
7. V Sarada	85,000	0.16%	85,000	0.16%
8. V Pushpavathi	70,000	0.13%	70,000	0.13%
9. M Bangar Raju	90,000	0.17%	90,000	0.17%
10. M. Krishnaveni	84,000	0.16%	84,000	0.16%
11. Gottimukkala Bangaru Annapurna (Promoter Group)	20,98,047	3.99%	-	-
Total	2,25,61,830	42.94%	2,25,61,830	42.94%

2.12.1 Reconciliation of Number of Shares:

	As at 31.03.2024	As at 31.03.2023
Number of Shares at the beginning of the year	5,25,40,000	5,25,40,000
Add: Shares issued during the year	-	-
Less: Shares bought back during the year	-	-
Number of Shares at the end of the year	5,25,40,000	5,25,40,000

2.12.2 Rights attached to Equity Shares:

The company has one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. 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.

2.12.3 Aggregate number and class of shares allotted as fully paid up for consideration other than cash, for the period of 5 years immediately preceding the Balance Sheet date: Nil

Note No 2.13: Other equity

(Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Securities Premium		
Opening Balance	370.00	370.00
Add: Premium on shares issued during the Year	-	-
	370.00	370.00
Retained Earnings		
Opening Balance	630.70	724.37
Add: Net profit transferred from the statement of P&L A/c	(378.38)	(91.13)
Add: Remeasurement of defined employee benefit plans (OCI)	4.21	(2.54)
Closing Balance	256.53	630.70
Total Equity	626.53	1,000.70

Note No 2.14: (i) Borrowings (Non-current)

Particulars	As at 31.03.2024	As at 31.03.2023
Secured		
Term Loan from banks #	-	122.00
Unsecured		
Loan from financial institutions #	16.61	22.35
	16.61	144.35

Security, Terms of Repayment, Rate of Interest etc. are detailed in Note No 2.17

Note No 2.15: Deferred Tax Liabilities (Net)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	(4.71)	27.65
Add: on Account of timing differences in property, plant & equipment	-	(1.99)
Add: on account of others	20.43	(30.37)
	15.72	(4.71)

Note No 2.16: Long-term provisions

Particulars	As at 31.03.2024	As at 31.03.2023
Gratuity	11.15	13.51
	11.15	13.51

Note No 2.17: (i) Borrowings

Particulars	As at 31.03.2024	As at 31.03.2023
Loans Repayable on Demand		
Working Capital Loans from Banks	9.31	395.39
Term Loan from Banks	-	58.50
Unsecured		
Loans from Related Parties	7.48	1.49
Loan from Financial Institutions	5.74	4.81
Loan from Others – Interest free and repayable on demand	27.00	27.00
	49.54	487.19

Secured Borrowings:

Rate of Interest: 17.25%

Repayment: Repayable On Demand

Primary Security: 100% Hypothecation of entire stock and receivables created out of bank finance (present & future)

Collateral Security:

Collateral Security:

1) Residential Flat No 401, 4th Floor, Plot No 14 & 16, Sy No 93, 94 & 95, located at S R Nagar, Hyderabad, Rangareddy, Hyderabad, Telangana -500038 (Metro), admeasuring total area : 1450 Sq. Feet, in the name of Shri V. Atchyuta Rama Raju

2) Commercial Building bearing Sy No. 619, 6th Floor, Maker Chambers, V Premises Co-op Society Ltd., Plot No.221 of Back bay reclamation, Nariman Point, Mumbai - 400021 (Metro) admeasuring total area 434 Sq. Feet in the name of M/s Reliance Tea Private Limited.

3) Pledge of shares of promoters of 30% (No. of shares pledged 67,68,550/-)

Personal Guarantee / Corporate Guarantee:

1. Shri V.Atchyuta Rama Raju, MD, S/o. Late V. Venkata Satynarayana Raju
2. Smt. V. Parvathi, Executive Director, W/o. Sri V. Atchyuta Rama Raju
3. Corporate Guarantee of M/s Reliance Tea Private Limited

Working Capital Term Loan (GECL) from State Bank of India:

Rate of Interest: 7.40%

Repayment: Moratorium period of 12 months and repayment of principal will commence after 12 months moratorium from the date of disbursement. It is repayable in 36 equated monthly instalments of Rs 4,19,445/- each commencing from Nov'21, balance of instalments being is 19 as on 31st March 2023. Fully paid in Jan 2024.

Working Capital Term Loan (GECL1.0 Ext Limit) from State Bank of India:

Rate of Interest: 7.40%

Repayment: Moratorium period of 24 months and repayment of principal will commence after 24 months moratorium from the date of disbursement. It is repayable in 36 equated monthly instalments of Rs 2,58,334/-each commencing from Jan'24. Loan was fully paid in Jan 2024

Bank Guarantee (BG) Facility from State Bank of India:

BG Limit of INR 200 lakhs (previous year - INR 506 Lakhs)

BG Commission Rate: Performance BG - 1.90% + GST, Financial BG - 2.20% + GST

BG Issued will be valid till the date of expiry or till the date of revocation

Security: As applicable to Cash Credit Limit, which is detailed above.

Unsecured Borrowings:

Loans from Related Parties consists of

Name of the Related Party	As at 31.03.2024	As at 31.03.2023
V. Atchyuta Rama Raju - Director (refer note 2.31)	134.25	-
Reliance Tea Private Limited - EDS (refer note 2.31)	8.97	1.49

The Company has borrowed above unsecured loans on the following terms & conditions:

Terms & Conditions	Particulars
Rate of Interest	Nil
Security	Unsecured
Terms of Repayment	Repayable on Demand

Bajaj Finance Limited (Unsecured)

Type Facility: Hybrid Flexi Business Loan (Working Capital Loan)

Rate of Interest: 18.00%

Repayment: It is repayable in 84 months with 12 month of moratorium period monthly instalments of Rs. 77,607/- each commencing from June'2022. Pending instalments - 38 (previous year 50)

Security: Unsecured

Note No 2.18: (ii) Trade payables

(Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Due to Micro and Small Enterprises	-	-
Due to Others for Goods & Service	109.24	152.53
	109.24	152.53

2.18.1 There are no transactions with Micro and Small enterprises, hence disclosures are not given as required under MSMED Act, 2006.

Note No 2.19: (iii) Other financial liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
Unpaid Dividend#	1.81	2.09
Employee benefits payable	28.43	26.55
Expenses Payable	108.42	56.30
	138.66	84.94

These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund

Note No 2.20: Short-term provisions

Particulars	As at 31.03.2024	As at 31.03.2023
Gratuity*	32.04	10.66
Provision for Income tax	-	5.68
	32.04	16.34

*Includes gratuity payable as per provisions of "The Payment of Gratuity Act of 1972" for employees who have resigned during the financial year of FY 2023-24.

Note No 2.21: Other current liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
Other Payables		
Statutory Liabilities	165.46	67.18
Advance received from customer	307.26	10.34
	472.72	77.52

(Rs. In Lakhs)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Note No 2.22 Revenue from Operations		
Sale of Products		
- Domestic	79.18	738.31
Sale of Services		
- Domestic	187.82	213.17
- Export	301.41	329.92
	568.41	1,281.40
Sale of Goods Under Broad Head		
Computers & Peripherals/ Software	79.18	738.31
	79.18	738.31
Services rendered Under Broad Head		
Annual Maintenance Contract Service	150.49	320.67
Consultancy Services	84.62	27.21
IT Engineering Services	254.12	195.21
	489.23	543.09
Note No 2.23: Other Income		
Interest on Fixed Deposits	5.49	7.73
Other Income	-	65.94
Creditors Written off	-	149.99
	5.49	223.66
Note No 2.24: Cost of Material Consumed		
Purchase of Material	13.17	644.20
Transport/ AMC/Labour Charges	178.81	276.98
	191.98	921.18
Note No 2.25: Changes in Inventories		
Inventories at the end of the year	1,321.26	1,432.09
Inventories at beginning of the year	1,432.09	1,435.32
Net Increase/ (Decrease)	110.83	3.23
Note No 2.26: Employee Benefit Expenses		
Salaries and Wages	177.13	165.00
Directors Remuneration	9.78	9.78
Contribution to PF and other Funds	4.51	7.20
Staff Welfare Expenses	0.02	0.05
	191.44	182.03

(Rs. In Lakhs)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Note No 2.27: Finance Cost		
Interest Expenses		
Interest	70.61	85.65
Interest on others	91.89	18.45
Other Borrowing Cost		
Loan Processing Charges	1.44	19.81
	163.94	123.91
Note No 2.28: Other Expenses		
Advertisement	1.84	1.37
Audit Fees	12.22	11.73
Bad debts written off	257.91	144.12
Bank Charges including BG commission	16.34	37.72
Business Promotion Exp	-	6.21
Communication Expenses	1.64	2.79
Conveyance	0.69	1.52
Power and Fuel	5.29	5.53
Fees & Taxes	10.29	8.50
Forex Fluctuations	4.41	31.11
Office & General Expenses	2.29	2.50
Insurance	2.84	3.33
Professional Expenses	18.93	18.76
Printing & Stationery	0.05	0.13
Postage & Telegram	-	0.17
Rent	23.21	21.86
Repairs & Maintenance	2.48	3.98
STPI Service Charges	0.55	0.55
Travelling Expenses	1.69	1.18
Vehicle Maintenance	0.21	0.48
Loss on Sale of FA	0.24	-
Misc. Exp- Written off	45.79	-
	408.91	303.54

Note No 2.29: Auditors Remuneration

(Rs. In Lakhs)

Particulars	FY 2023-24	FY 2022-23
a) Audit Fees		
- Holding Company auditors	2.30	2.30
- Component auditors	7.72	7.23
b) Other Charges		
Tax Audit	1.00	1.00
Quarterly reviews	1.20	1.20
c) Reimbursement of out of pocket expenses	-	-
Total	12.22	11.73

Note No 2.30: Earnings per share

Particulars	FY 2023-24	FY 2022-23
Earnings		
Profit attributable to equity holders	(378.38)	(91.13)
Shares		
Number of shares at the beginning of the year	5,25,40,000	5,25,40,000
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	5,25,40,000	5,25,40,000
Weighted average number of equity shares outstanding during the year – Basic	5,25,40,000	5,25,40,000
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	5,25,40,000	5,25,40,000
Earnings per share of par value Rs.2/- – Basic (INR)	(0.72)	(0.17)
Earnings per share of par value Rs.2/- – Diluted (INR)	(0.72)	(0.17)

Note No 2.31: Related Party

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, Company's Directors, members of the Company's Management Council and Company Secretary are considered as Key Management Personnel. List of related parties of the company are given below:

S. No.	Name of the Related Party	Nature of Relationship
1	V.A. Rama Raju	Key Managerial Personnel
2	V. Parvathi	Key Managerial Personnel
3	V. Tanuja	Relative of KMP
4	Reliance Tea Private Limited	EDS*
5	Vama Infrastructure and Equipment Limited	EDS*
6	Vama Technologies Pte Ltd	Wholly-owned subsidiary
7	Archana Pabba	Chief Financial Officer - Date of Joining on 29.05.2023
8	Bharath Kumar K	Company Secretary

* **EDS : Entity over which the director is having significant influence**

Related Party Transactions as on 31.03.2024

(Rs. In Lakhs)

S.No	Nature of Transaction	FY 2023-24					FY 2022-23				
		KMP	Relative of KMP	EDS	Subsidiary	Total	KMP	Relative of KMP	EDS	Subsidiary	Total
1	Directors Remuneration / Salary	19.01	5.46	-	-	24.47	17.94	-	-	-	17.94
2	Sales	-	-	-	-	-	-	-	-	-	-
3	Loan taken during the year	134.25	-	13.97	-	148.22	-	-	1.49	-	1.49
4	Repayment of borrowings	-	-	5.00	-	5.00	-	-	-	-	-

Balance with Related Parties:

S.No	Nature of Transaction	FY 2023-24					FY 2022-23				
		KMP	Relative of KMP	EDS	Subsidiary	Total	KMP	Relative of KMP	EDS	Subsidiary	Total
1	Short-term borrowings	-	-	143.22	-	143.22	-	-	-	-	-
2	Other current liabilities	-	-	-	-	-	-	-	-	-	-

Transactions with Related Parties during the year:

S. No.	Particulars	FY 2023-24	FY 2022-23
1	Directors Remuneration / Salary		
	V.A.Rama Raju	7.50	7.50
	V.Parvathi	2.28	2.28
	Gavireddy Siva *	-	2.76
	Bharath Kumar K	5.40	5.40
	Bandi Tejaswini **	-	2.33
	V Tanuja	5.46	-
Archana Pabba***	3.83	-	
2	Short-term borrowings		
	V Atchyuta Rama Raju (net)	134.25	-
	Vama Infrastructure and Equipment Private Limited	5.00	-
	Reliance Tea Private Limited	8.97	1.49
3	Repayment of borrowings		
	Vama Infrastructure and Equipment Private Limited	5.00	-

* Date of Resign - 28-Sep-2022

** Date of Resign - 29-05-2023

*** Date of Joining - 29-05-2023

Note No 2.32: Earnings / Expenditure in Foreign Currency

Expenditure in Foreign Currency

(Rs. In Lakhs)

Particulars	FY 2023-24	FY 2022-23
Import Purchase / AMC Charges	-	27.81
Bank Charges	0.70	0.43
Total	0.70	28.24

Earnings in Foreign Currency

Particulars	FY 2023-24	FY 2022-23
Engineering Services	238.36	188.73
Consultancy Services	100.37	6.48
Total	338.73	195.21

Note No 2.33: Segment Reporting

The Group concluded that there is only one operating segment i.e., IT related services. Hence, the same becomes the reportable segment for the Group. Accordingly, the Group has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Group shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108, to the extent applicable.

Note No 2.34: Employee Benefit

Contribution to provident Fund

The employees of the Group receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Group has no further obligations under the plan beyond its monthly contributions. The Group contributed INR 3.77 Lakhs and INR 3.76 Lakhs to the provident fund plan during the years ended 31st March 2023 and 2024, respectively.

Note No 2.35: Income Taxes

a. Income tax expense/ (benefit) recognized in the statement of profit and loss:

Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following

Particulars	FY 2023-24	FY 2022-23
Current taxes expense		
Domestic	-	5.68
Deferred taxes expense / (benefit)		
Domestic	19.01	(31.47)
Total income tax expense / (benefit) recognized in the statement of P & L	19.01	(25.79)

b. Income tax expense/ (benefit) recognized directly in equity

Income tax expense/ (benefit) recognized directly in equity consist of the following

Particulars	FY 2023-24	FY 2022-23
Tax effect on actuarial gains/losses on defined benefit obligations	-	-
Total income tax expense/(benefit) recognized in the equity	-	-

c. Reconciliation of Effective tax rate:

(Rs. In Lakhs)

Particulars	FY 2023-24	FY 2022-23
Profit before income taxes	(359.37)	(53.03)
Enacted tax rate in India	26.00%	26.00%
Computed expected tax	-	-
Effect of:		
Expenses not deductible for tax purposes	28.86	31.29
Expenses deductible for tax purposes	16.81	16.81
Taxable at Special Rates	-	-
Income tax	-	5.68
Effective tax rate	0.00%	-10.66%

d. Deferred tax assets & Liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences are given below:

Particulars	FY 2023-24	FY 2022-23
Deferred tax assets / (liabilities) :		
Property, plant and equipment	2.72	2.72
Others	(18.44)	1.99
Net deferred tax assets / (liabilities)	(15.72)	4.71

e. Movement in deferred tax assets and liabilities during the year ended 31st March 2023

Particulars	As at 01.04.2022	Recognized in Statement of P & L	Recognized in equity	As at 31.03.2023
Deferred tax assets/(liabilities)				
Property, plant and equipment	(27.65)	(30.37)	-	2.72
Others	-	(1.99)	-	1.99
Net deferred tax assets / (liabilities)	(27.65)	(32.36)	-	4.71

f. Movement in deferred tax assets and liabilities during the year ended 31st March 2024

Particulars	As at 01.04.2023	Recognized in Statement of P & L	Recognized in equity	As at 31.03.2024
Deferred tax assets/(liabilities)				
Property, plant and equipment	2.72	-	-	2.72
Others	1.99	20.43	-	(18.44)
Net Deferred tax assets / (liabilities)	4.71	20.43	-	(15.72)

Note No 2.36: Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

Particulars	Carrying Value		Fair value	
	Mar-24	Mar-23	Mar-24	Mar-23
Financial assets				
Cash and cash equivalents	4.99	21.21	4.99	21.21
Trade Receivables	453.61	646.30	453.61	646.30
Other financial assets	370.91	380.12	370.91	380.12
Total	829.51	1,047.63	829.51	1,047.63
Financial liabilities				
Borrowings	66.15	631.54	66.15	631.54
Trade payables	109.24	152.53	109.24	152.53
Other financial liabilities	138.66	84.94	138.66	84.94
Total	314.05	869.01	314.05	869.01

Note No 2.37: Ind AS 116 – Leases

The Company has evaluated the impact of Ind AS 116 on the financials. As per the terms and conditions stipulated in the lease deeds, the termination option is available with both lessor and lessee leading to the same being treated as short term and impact charged to "Rent Expenses" (Refer Note No 2.29)

Note No 2.38: Financial Risk Management

The Group's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Group's risk assessment and management policies and processes.

a. Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Trade Receivables - The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The total trade and other receivables impairment loss is provided Rs. NIL as at 31st March 2024 and NIL as at 31st March 2023. On account of adoption of Ind AS 109, the Group uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Group took into consideration the weighted average number of delays taking into consideration deviation of receivables turnover ratio from normal credit period. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. Financial assets that are neither past due nor impaired - None of the Group's cash equivalents, including deposits with banks, were past due or impaired as at 31 March 2024.

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31st March 2024 and 31st March 2023 are as follows:

(Rs. In Lakhs)		
Particulars	FY 2023-24	FY 2022-23
Balance at the beginning of the year	101.98	101.98
Impairment Loss / (Gain) of Trade receivables	-	-
Balance at the end of the year	101.98	101.98

Liquidity Risks:

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

As of 31st March 2024 and 2023, the Company has utilized working capital credit limits (fund based) from banks of Rs.9.31 Lakhs and Rs 395.39 Lakhs respectively.

As of 31 March 2024, the Company had working capital (current assets less current liabilities) of Rs. 1,109.26 Lakhs including cash and cash equivalents of Rs.46.75 Lakhs. As of 31 March 2023, the Company had working capital of Rs. 1,453.83 Lakhs, including cash and cash equivalents of Rs. 101.09 Lakhs.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March, 2024

(Rs. In Lakhs)					
Particulars	2024	2025	2026	Thereafter	Total
Trade payables	109.24	-	-	-	109.24
Long term borrowings #	-	5.74	3.56	13.05	22.35
Bank overdraft, short-term loans and borrowings*	43.80	-	-	-	43.80
Other liabilities*	138.66	-	-	-	138.66

* The Bank Overdraft and other liabilities are payable on demand.

Long term borrowings include current maturities of long term debt.

Market Risks:

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Group's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

Currency Risk

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee. The Group mitigates the currency risk with natural hedge arising on export of goods and services.

CAPITAL MANAGEMENT

The Group's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Group. The Group determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

The Group's Debt Equity ratio is as follows:

Particulars	(Rs. In Lakhs)	
	FY 2023-24	FY 2022-23
Total Debt	66.15	631.54
Total Equity	1,677.33	2,051.50
Debt Equity Ratio	0.039:1	0.36:1

Note No 2.39: Contingent liabilities and Commitments:

Particulars	(Rs. In Lakhs)	
	FY 2023-24	FY 2022-23
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts		
Income tax for AY 2017-18 (refer note below)	86.38	-
b) Guarantees		
Bank Guarantees	181.47	382.19
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

The company has filed an appeal with CIT(A), Income Tax Department for AY 2017-18 on January 21, 2020 against tax demand of INR 86.38 lakhs against the order u/s 143(3) of the Income Tax Act, 1961 dated December 22, 2019, passed by the Assistant Commissioner of Income Tax, Circle-13(3)(2), Mumbai. The company received an order dated February 19, 2024 under Section 250 of the Income Tax Act, 1961 after appearing on various dates and providing of information as requested where the order stated that "order of AO is upheld and all the grounds of the company are noted as dismissed".

Aggrieved by the order, the company has filed appeal with Income Tax Appellate Tribunal, Mumbai Benches, Mumbai on April 13, 2024. The matter is pending for decision as on the date of signing of these financials.

Note No 2.40: Gratuity Workings

(a) Amounts recognised in the balance sheet

Particulars	(Rs. In Lakhs)	
	As at 31.03.2024	As at 31.03.2023
Present Value of Defined Benefit Obligations	24.17	17.49
Statement of Profit and Loss		
Current Service cost	1.89	1.97
Interest cost	1.81	1.28
Through Other Comprehensive Income		
Premeasurements - Due to Financial Assumptions	0.45	(0.31)
Premeasurements - Due to Experience Adjustments	(6.08)	3.74
Present Value of DBO at the end of period	22.24	24.17
Unrecognized Past Service Cost	-	-
Funded Status - (Deficit) / Surplus	-	-
Net (Liability) / Asset at the end of the current period	22.24	24.17

(b) Bifurcation of Short Term and Long Term Liability

Particulars	As at 31.03.2024	As at 31.03.2023
Current Liability (Short Term) - refer note 2.20)	11.09	10.66
Non-Current Liability (Long Term) (refer note 2.16)	11.15	13.51

(c) Expenses recognised in the Statement of Profit and Loss and Other comprehensive income

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Total Expense recognised in the income statement	3.70	3.25
Amount to be recognised in Other Comprehensive Income	(5.63)	3.43

(d) Sensitivity analysis

Scenario	Assumption	DBO	Variation
Under Base Scenario	0	22.24	0.00%
Salary Increase Rate - Plus 100 Basis Points	3.00%	23.87	7.31%
Salary Decrease Rate - Minus 100 Basis Points	1.00%	20.85	-6.26%
Withdrawal Rates - Plus 100 Basis Points	3.00%	23.13	3.98%
Withdrawal Rates - Minus 100 Basis Points	1.00%	21.25	-4.47%
Discount Rates - Plus 100 Basis Points	8.20%	20.83	-6.36%
Discount Rates - Minus 100 Basis Points	6.20%	23.91	7.50%

Note No 2.41 : Exceptional items

The Company during the year ended March 2024 has sold land at Izzathnagar, which has resulted in profit and the same is shown as exceptional item.

Note No 2.42A: Trade Payables ageing schedule as on 31.03.2024

(Rs. In Lakhs)

Particulars	Trade Payables ageing schedule			
	Outstanding for following periods from the date of transaction			
	Less than 1 year	1-2 years	2-3 years	Total
(i) MSME	-	-	-	-
(ii) Others	41.50	-	67.74	109.24
(iii) Disputed dues - MSME and others	-	-	-	-
Total	41.50	-	67.74	109.24

Trade Payables ageing schedule as on 31.03.2023

Particulars	Trade Payables ageing schedule			
	Outstanding for following periods from the date of transaction			
	Less than 1 year	1-2 years	2-3 years	Total
(i) MSME	-	-	-	-
(ii) Others	71.74	-	80.79	152.53
(iii) Disputed dues - MSME and others	-	-	-	-
Total	71.74	-	80.79	152.53

Note No 2.42B: Trade Receivables ageing schedule as on 31.03.2024

Particulars	Outstanding for following periods from the date of Transaction					Total
	Less than 6 Months	6Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables — considered good	441.30	12.79	6.86	2.28	92.35	555.59
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good and	-	-	-	-	-	-
Total	441.30	12.79	6.86	2.28	92.35	555.59

Trade Receivables ageing schedule as on 31.03.2023

Particulars	Outstanding for following periods from the date of Transaction					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables — considered good	337.38	53.28	7.47	50.14	300.01	748.28
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good and	-	-	-	-	-	-
Total	337.38	53.28	7.47	50.14	300.01	748.28

Note No 2.43A: Interest in Other Entities:

The Holding Company's Subsidiary as at 31.03.2024 is set out below :

Name of the Entity	Place of Business / Country of Incorporation	Ownership interest held by the Holding Company	Ownership interest held by the Non Controlling	Principal Activity
	As at 31.03.2024	As at 31.03.2024	As at 31.03.2024	
Vama Technologies Pte Ltd	Singapore	100.00%	0.00%	Other Information

Note No 2.43B: Other Disclosures:
Additional Information required by Schedule III
(Rs. In Lakhs)

As at 31.03.2024	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)	
Name of the Entity in the Group	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Assets	Amount
Parent Company :				
Vama Industries Limited	85.28% ✔	2,391.47	82.33%	(308.05)
Sub Total (A)	85.28%	2,391.47	82.33%	(308.05)
Wholly owned Subsidiary Company :				
Vama Technologies Pte Ltd	9.71% ✔	272.19	17.67%	(66.11)
Sub Total (B)	9.71%	272.19	17.67%	(66.11)
Sub Total (A + B)	94.98% ✔	2,523.01	100.00%	(374.16)
Adjustments arising out of Consolidation (C)	5.02% ✔	140.65	0.00%	-
Total (A + B + C)	100.00% ✔	2,804.31	100.00%	(374.16)

As at 31.03.2023	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)	
Name of the Entity in the Group	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Assets	Amount
Parent Company :				
Vama Industries Limited	84.25% ✔	2,780.23	199.33%	(186.71)
Sub Total (A)	84.25%	2,780.23	199.33%	(186.71)
Wholly owned Subsidiary Company :				
Vama Technologies Pte Ltd	11.56% ✔	381.33	-99.33%	93.04
Sub Total (B)	11.56%	381.33	-99.33%	93.04
Sub Total (A + B)	95.81% ✔	3,023.17	100.00%	(93.67)
Adjustments arising out of Consolidation (C)	4.19% ✔	138.39	0.00%	-
Total (A + B + C)	100.00% ✔	3,299.95	100.00%	(93.67)

Note No 2.43C: Relationship with struck off companies

The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013

Note No 2.43D: Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

Note No 2.43E: Loans or advances to specified persons

No loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

Note No 2.43F: Details of benami property held

No proceedings have been initiated on or pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

Note No 2.43G: Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under Section 2(87) of Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

Note No 2.43H: Details of Crypto currency or virtual currency

The Group has not traded or invested in Crypto Currency or virtual currency during the current or previous year

Note No 2.43I: Utilisation of borrowed funds and share premium

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 Group 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 lend or invest in party identified by or on behalf of the Group (Ultimate beneficiaries). The Group has not received any fund from any party (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note No 2.43J: Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Note No 2.43K: Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the group from banks and financial institutions have been applied for the purposes for which such loans were taken.

Note No 2.43L: Wilful Defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or other lender.

Note No 2.43M: Valuation of Property Plant & Equipment, Intangible Asset

The Group has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

**As per our report of even date
for P. Suryanarayana & Co.,
Chartered Accountants**

Sd/-
P. Suryanarayana
Partner
M.No. 201195
Firm Regn No. 009288S

**Place: Hyderabad
Date: May 29, 2024**

For and on behalf of the Board of Directors

Sd/-
V. Achyutha Rama Raju
Chairman & Managing Director
DIN: 00997493

Sd/-
Archana Pabba
Chief Financial officer

Sd/-
V. Parvathi
Executive Director
DIN: 01240583

Sd/-
K Bharath Kumar
Company Secretary

VAMA INDUSTRIES LIMITED

Door No.: 8-2-248/1/7/78/12,13, Ground Floor, Block-A,
Lakshmi Towers, Nagarjuna Hills, Punjagutta,
Hyderabad - 500082, TG, India.