

**Vimta Labs Limited**

Registered Office  
142, IDA Phase II, Cherlapally  
Hyderabad-500 051, India  
T : +91 40 2726 4141  
F : +91 40 2726 3657



VLL\10\S-004\2018\  
Date : 11.05.2018

Listing Centre  
B S E Limited  
P J Towers, Dalal Street  
**Mumbai: 400001**

Scrip Code No.524394.

Asst Vice President  
National Stock Exchange of India Limited  
"Exchange Plaza", Bandra  
Kurla Complex, Bandra (E)  
**Mumbai – 400 0051**

**Kind Attn: Mr. K Hari.**

Trading Symbol : VIMTA LABS

Dear Sir,

Pursuant to Regulation 33 of SEBI (Listing obligations and disclosure requirements) 2015, please find enclosed herewith Audited Financial Results for the 4th Quarter & for the Financial year ended March 31, 2018 and Independent Auditor's Report with unmodified opinion along with a declaration by the Company in respect thereof.

This is for your information and records.

Thanking you,

Yours faithfully,  
**for VIMTA LABS LIMITED**

A handwritten signature in black ink, appearing to read "A Venkata Ramana".

**A VENKATA RAMANA  
COMPANY SECRETARY**

Encl: as above.

**STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER  
AND YEAR ENDED 31 MARCH 2018**

(All amounts in Rs.Millions except EPS)

Particulars	Quarter ended			Year ended	
	31.03.2018 (Audited) (Refer Note 3)	31.12.2017 (Unaudited)	31.03.2017 (Audited) (Refer Note 3)	31.03.2018 (Audited)	31.03.2017 (Audited)
<b>1 Revenue from operations</b>					
(a) Revenue from operations	519.39	474.62	406.78	1,810.93	1,538.48
(b) Other income	0.38	3.67	1.01	11.97	9.41
<b>Total revenues</b>	<b>519.77</b>	<b>478.29</b>	<b>407.79</b>	<b>1,822.91</b>	<b>1,547.89</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed and testing expenditure	136.19	125.03	123.51	502.64	506.95
(b) Employee benefits expense	159.55	128.75	137.09	536.43	463.35
(c) Finance costs	11.30	14.05	6.83	52.00	20.87
(d) Depreciation and amortisation expense	46.54	43.25	23.94	157.00	96.30
(e) Other expenses	87.37	82.87	78.67	319.21	295.06
<b>Total expenses</b>	<b>440.94</b>	<b>393.95</b>	<b>370.05</b>	<b>1,567.27</b>	<b>1,382.54</b>
<b>3 Profit before tax (1-2)</b>	<b>78.83</b>	<b>84.34</b>	<b>37.74</b>	<b>255.64</b>	<b>165.35</b>
<b>4 Tax expense</b>					
(a) Current tax	26.01	19.00	15.59	79.31	59.92
(b) Deferred tax	2.14	5.62	(3.31)	12.00	(0.49)
<b>Total tax expense</b>	<b>28.15</b>	<b>24.62</b>	<b>12.28</b>	<b>91.31</b>	<b>59.43</b>
<b>5 Profit for the period / year (3-4)</b>	<b>50.67</b>	<b>59.72</b>	<b>25.46</b>	<b>164.33</b>	<b>105.92</b>
<b>6 Other comprehensive income</b>					
Items that will not be reclassified subsequently to profit or loss:					
(a) Re-measurements of the net defined benefit liability	(1.87)	(2.07)	(2.17)	(8.08)	(8.38)
(b) Income tax relating to the items	0.65	0.72	0.75	2.80	2.90
<b>7 Total comprehensive income (5+6)</b>	<b>49.45</b>	<b>58.36</b>	<b>24.04</b>	<b>159.05</b>	<b>100.44</b>
<b>8 Paid-up equity share capital</b>	44.22	44.22	44.22	44.22	44.22
<b>9 Other equity</b>				1476.31	1,317.26
<b>10 Earnings per equity share (face value of Rs.2 per share)</b>					
(a) Basic (Rs)	2.29	2.70	1.15	7.43	4.79
(b) Diluted (Rs)	2.29	2.70	1.15	7.43	4.79

*Shilpa V.*

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**Statement of Assets and Liabilities**

(All amounts in Rs.Millions )

Particulars	As at	
	31.03.2018 (Audited)	31.03.2017 (Audited)
<b>A. Assets</b>		
<b>1. Non-current assets</b>		
Property, plant and equipment	1,403.90	883.37
Capital work-in-progress	-	528.79
Financial assets		
- Loans	29.34	28.29
Other non-current assets	65.07	77.75
<b>Total non-current assets</b>	<b>1,498.31</b>	<b>1,518.20</b>
<b>2. Current assets</b>		
Inventories	152.17	152.10
Financial assets		
- Trade receivables	559.26	424.23
- Loans	3.75	4.46
- Cash and cash equivalents	19.95	6.25
- Bank balances other than above	6.25	6.31
- Other financial assets	31.27	54.89
Other current assets	51.59	50.02
<b>Total current assets</b>	<b>824.24</b>	<b>698.26</b>
<b>Total assets</b>	<b>2,322.55</b>	<b>2,216.46</b>
<b>B. Equity and liabilities</b>		
<b>1. Equity</b>		
Equity share capital	44.22	44.22
Other equity	1,476.31	1,317.26
<b>Total equity</b>	<b>1,520.53</b>	<b>1,361.48</b>
<b>2. Non-current liabilities</b>		
Financial liabilities		
- Borrowings	194.63	180.81
- Other financial liabilities	-	6.00
Provisions	68.40	55.22
Deferred tax liabilities, net	21.09	11.88
Other non-current liabilities	19.59	6.64
<b>Total non-current liabilities</b>	<b>303.70</b>	<b>260.56</b>
<b>3. Current liabilities</b>		
Financial liabilities		
- Borrowings	131.48	194.04
- Trade payables	129.74	152.74
- Other financial liabilities	160.32	223.73
Provisions	15.45	0.81
Other current liabilities	61.32	23.10
<b>Total current liabilities</b>	<b>498.32</b>	<b>594.42</b>
<b>Total equity and liabilities</b>	<b>2,322.55</b>	<b>2,216.46</b>

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*Anita V.*

**Notes to the results:**

- The above financial results for the quarter and year ended 31 March 2018 have been reviewed by the Audit Committee of the Board of Directors and taken on record at the meeting of Board of Directors held on 11 May 2018. The results for the quarter and year ended 31 March 2018 have been audited by the statutory auditors. The statutory auditors have expressed an unmodified audit opinion on the results.
- Effective 1 April 2017, the Company has adopted Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Accounting Standards) Rules, 2015 and Securities Exchange Board of India (SEBI) circular no. CIR/CFD/FAC/62/2016 dated 5 July 2016. Accordingly, the aforesaid financial results have been prepared in accordance with Ind AS 101. Consequently, the financial results for the above comparable periods have been restated to comply with Ind AS.
- The figures for the last quarter are the balancing figures between the audited figures in respect of full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- Reconciliation between net profit reported in accordance with Indian GAAP (previous GAAP) and Ind AS for the quarter and year ended 31 March 2017 is as follows:

(All amounts in Rs. Millions)

Particulars	Quarter ended	Year ended
	31.03.2017	31.03.2017
<b>Net profit after tax reported as per previous GAAP</b>	24.04	100.44
Re-measurement of actuarial loss on defined benefit plan, net of tax	1.42	5.48
<b>Net profit after tax for the period / year as per Ind AS</b>	<b>25.46</b>	<b>105.92</b>
<b>Other comprehensive income</b>		
Re-measurement of actuarial loss on defined benefit plan, net of tax	(1.42)	(5.48)
<b>Total comprehensive income for the period / year as per Ind AS</b>	<b>24.04</b>	<b>100.44</b>

**5. Reconciliation of total equity as at 31 March 2017:**

(All amounts in Rs. Millions)

Particulars	As at
	31.03.2017
Equity under previous GAAP	1,361.48
Adjustments	-
<b>Equity under Ind AS</b>	<b>1,361.48</b>

- The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS-108, Operating Segment and believes that the Company has only one reportable segment namely "Contract Research and Testing Services".
- The Board of Directors of the Company have recommended a dividend of Rs.2/- per equity share of Rs.2/-each for the financial year 2017-18, subject to approval of the share holders at the ensuing Annual General Meeting.

For and on behalf of the Board of Directors of  
**Vimta Labs Limited**

  
**Harita Vasireddi**  
Managing Director

Place: Hyderabad  
Date: 11 May 2018

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF VIMTA LABS LIMITED**

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of VIMTA LABS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies ( Indian Accounting Standards) Rules, 2015 as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section-143 of the Act, we give in the Annexure – A a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

Contd..3.,



(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i). The Company has no any pending litigations which would impact its financial position, except the matters given in the notes to accounts (Refer to Note No. 33 to the Ind AS Financial Statements).
- ii). The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii). There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

#### **Other matter**

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 prepared in accordance with Ind AS, included in these Ind AS financial statements, have been audited by the predecessor auditor who had audited the financial statements for the relevant periods. The report of the predecessor auditor on the comparative financial information and the opening balance sheet dated 10 May 2018 expressed an unmodified opinion.

Place: Hyderabad  
Date: 11-05-2018

For GATTAMANENI & CO.  
Chartered Accountants  
(Firm Regn No.009303S)



  
G.SRINIVASARAO  
Partner  
(ICAI Ms No.210535)

**Annexure – A to Independent Auditors' Report dated 10.05.2018  
issued to the Members of Vimta Labs Limited**

**Statement on the matters specified in Paragraphs 3 and 4 of the Companies  
(Auditor's Report) Order, 2016**

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- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The company's fixed assets have been physically verified by the management at reasonable intervals as per a regular programme of verification which, in our opinion, 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) The title deeds of immovable properties of the Company are held in the name of the company.
- (ii) The inventory has been physically verified by the management at reasonable intervals and in our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on physical verification between the physical stocks and the book stocks.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained U/s.189 of the Companies Act, 2013. Hence, our comments on sub-clauses (a),(b) and (c) of clause (iii) of paragraph 3 of the order are Nil.
- (iv) The Company has not given any loans; made investments; given guarantees to any Company to which the provisions of Section 185 and 186 of the Companies Act, 2013 are applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits and hence compliance with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder is not applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against this company in any matter relating to the deposits.
- (vi) As per the information and explanation furnished to us, maintenance of Cost records has been specified by the Central Government U/s.148(1) of the Act for this company and we are of the opinion that, the prescribed accounts and records have been made and maintained by the company. However, we have not conducted any audit of the same.

Contd..2.,





- (vii) (a) The company is regular in depositing undisputed statutory dues including Provident Fund, employees' state insurance, income tax, Sales-Tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other material statutory dues as applicable to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts in respect of the above statutory dues are in arrears as at 31/03/2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of Sales Tax, Service tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added tax and Cess which have not been deposited on account of any dispute. Dues of Income tax demands, which have not been deposited on account of disputes are as under:

Name of the Statute	Nature of the dues	Amount (Rs. In millions)	Period to which the amount relates	Forum where dispute is pending	Remarks
Income Tax Act, 1961	Income Tax	8.13	Asst. Years 2012-13, 2013-14 and 2014-15	Income Tax Appellate Tribunal	Demand gets adjusted when credit for the MAT is allowed in future years.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to financial institution, bank and Government. The company has not issued debentures.
- (ix) During the year under review, the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). The Term loans availed were applied for the purposes for which those are raised.
- (x) During the year under review, no fraud by the company or on the Company by its officers or employees has been noticed or reported.
- (xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company and hence our comments on clause (xii) of para 3 of the order are nil.
- (xiii) As per the information and explanations given to us and based on our audit, in our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standard.



Contd..3.,

- (xiv) During the year under review, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence, compliance with the provisions of Section 42 of the Companies Act, 2013 is not applicable.
- (xv) As per the information and explanations given to us and based on our audit, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, compliance with provisions of Section 192 of Companies Act, 2013 is not applicable.
- (xvi) As per the information and explanations given to us and based on our audit, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Hyderabad  
Date: 11-05-2018



For GATTAMANENI & CO.  
Chartered Accountants  
(Firm Regn No.009303S)

G.SRINIVASARAO  
Partner  
(ICAI Ms No.210535)

**Annexure - B to Independent Auditors' Report dated 10.05.2018  
issued to the Members of Vimta Labs Limited**

**Report on the Internal Financial Controls over Financial Reporting in terms of  
Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").**

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We have audited the Internal Financial Controls over financial reporting of VIMTA LABS LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Contd..2.,



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) 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
- (iii) 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**

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

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## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Financial Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad  
Date: 11-05-2018

For GATTAMANENI & CO.  
Chartered Accountants  
(Firm Regn No.009303S)



G.SRINIVASARAO  
Partner  
(ICAI Ms No.210535)

## Vimta Labs Limited

Registered Office  
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F : +91 40 2726 3657



VLL\10\S-004\2018\  
Date : 11.05.2018

Listing Centre  
B S E Limited  
P J Towers, Dalal Street  
**Mumbai: 400001**

Scrip Code No.524394.

Asst Vice President  
National Stock Exchange of India Limited  
"Exchange Plaza", Bandra  
Kurla Complex, Bandra (E)  
**Mumbai – 400 0051**

**Kind Attn: Mr. K Hari.**

Trading Symbol : VIMTA LABS

Dear Sir,

We hereby declare under the provisions of SEBI (LODR) Regulations, 2015 that the Auditors of the Company M/s Gattamaneni & Co, Chartered Accountants (Firm Regn No.009303S) have issued Independent Auditor's Report with unmodified opinion on Financial Statements as prepared under the provisions of Companies Act, 2013.

Thanking you,

Yours faithfully,  
**for VIMTA LABS LIMITED**

A handwritten signature in black ink, appearing to read "A Venkata Ramana".

**A VENKATA RAMANA  
COMPANY SECRETARY**