



VAMA INDUSTRIES LIMITED

**37th
Annual Report**

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Executive Directors V. Atchyuta Rama Raju V. Parvathi	Designation Chairman and Managing Director Executive Director
Non Executive & Independent Directors M. Satish S. B.V. Subramanyam Alumolu Jonnada Vaghira kumari	Company Secretary & Compliance Officer Kallepally Bharath Kumar CFO G. Siva
Non Executive Director R. Rama Sravanthi	Secretarial Consultants M/s. P.S Rao & Associates, Company Secretaries, Flat No: 10, 4th Floor # 6-3-347/22/2, Dwarkapuri Colony, Panjagutta, Hyderabad- 500082
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	Registrar & Share Transfer Agents Bigshare Services Private Limited 306, Right Wing, Amrutha Ville Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500 082.
Internal Auditors Goda Sreenivasa Karthik Siva CharanChartered Accountant Address. H.no 1-4-213/1&2 part, “Chandi Saketh”, Sadhana vihar colony, opp Abhinav residency apartment, Kapra, Hyderabad - 500062	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: +91 40 6684 5534 Fax: +91 40 2335 5821 Website & email Id for Investors Website : www.vamaind.com email Id : investorservices@vama.co.in cs@vama.co.in
Bankers State Bank of India, Balkampet, Hyderabad Branch	
Corporate Offices 1. Door No. 8-2-248/1/7/78/12,13, Ground Floor, Block-A, Laxmi Towers, Nagarjuna Hills, Punjagutta, Hyderabad, Telangana 500082 2. Office No: 619, 6th Floor, Maker Chambers - V Nariman Point, Mumbai - 400021	37th Annual General Meeting Date & Time: 30th September,2022 at 4:00 P.M Day: Friday Mode: VC / OVAM Cut-off Date (for e -voting) Date: 23nd September, 2022 [Friday]

COMMITTEES OF THE BOARD

Audit committee	Jonnada Vaghira kumari (Chairman)	M. Satish (Member)	S. B.V. Subramanyam Alumolu (Member)	R. Rama Sravanthi (Member)
Nomination & Remuneration Committee	S. B.V. Subramanyam Alumolu (Chairman)	Jonnada Vaghira kumari (Member)	M. Satish (Member)	R. Rama Sravanthi (Member)
Stakeholder Relationship Committee	S. B.V. Subramanyam Alumolu (Chairman))	Jonnada Vaghira kumari (Member)	R. Rama Sravanthi (Member)	
Risk Management Committee	Jonnada Vaghira kumari (Chairman)	V. Atchyuta Rama Raju Member	V. Parvathi (Member)	
Internal Complaints Committee	V Parvathi	G Siva	N. Lakshmi Satyasri	

Notice is hereby given that the Thirty Seventh (37th) Annual General Meeting (AGM) of the members of Vama Industries Limited will be held on Friday, 30th day of September, 2022 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 2021-22 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 2021-22 together with the Report of the Auditors thereon.

Item 2: Re-appointment of Director.

To appoint a Director in place of Ms. Rama Sravanthi Rambatla (DIN: 07098278) who retires by rotation and being eligible offers herself for reappointment.

SPECIAL BUSINESS:

Item 3: Appointment of Ms. Jonnada Vaghira Kumari (DIN: 06962857), to the office of Independent Director of the Company

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 152, 160 and all other applicable provisions contained under the Companies Act, 2013 (“Act”), Ms. Jonnada Vaghira Kumari (DIN: 06962857), who was appointed as an Additional Director by the Board of Directors, effective 19th October, 2021 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the said Act and the Articles of Association of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing her candidature to the office of Director of the Company, and as recommended by the Nomination and Remuneration Committee, be and is hereby appointed to the office of Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, the appointment of Ms. Jonnada Vaghira Kumari to the office of Independent Director, who meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing 19th October, 2021 as recommended by the Nomination and Remuneration Committee, be and is hereby approved.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.”

Item 4: Appointment of Statutory Auditors to fill the casual vacancy

To appoint Statutory Auditors of the Company and to fix remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, the appointment of M/s. P. Suryanarayana & Co., Chartered

Accountants (Firm Registration Number: 009288S), by the Board of Directors, as Statutory Auditors of the Company, upon recommendation of the Audit Committee, in order to fill the casual vacancy caused by the resignation of M/s. V N S S & Associates, Chartered Accountants be and is hereby approved.”

“**RESOLVED FURTHER THAT** M/s. P. Suryanarayana & Co., Chartered Accountants shall hold the office of Statutory Auditors of the Company from 02nd September,2022 until the conclusion of the 37th Annual General Meeting of the Company, on such terms and conditions as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.”

Item 5: Appointment of Statutory Auditors

To appoint Statutory Auditors of the Company and to fix remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s. P. Suryanarayana & Co., Chartered Accountants (Firm Registration Number: 009288S), upon recommendation of the Audit Committee and the Board of Directors, be and are hereby appointed as Statutory Auditors of the Company, to hold the office from the conclusion of 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting, with respect to financial years beginning April 1, 2022 and ending on March 31, 2027 (5 years) at such remuneration plus applicable taxes, and out of pockets expenses if any, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.”

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

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

Place: Hyderabad
Date: 02nd September, 2022

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 and 2/2022 dated 5th May, 2022, issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as “MCA Circulars”), read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 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 31st December, 2022, 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 items of special business is annexed hereto.
4. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are 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.
5. 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.

6. 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.
7. 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.
8. 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.
9. 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.

10. 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 2015 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 2014, 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.

11. 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.
12. 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.
13. Members may also note that the Notice of the 37th Annual General Meeting 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 in electronic mode by the Members by writing an e-mail to the Company Secretary at cs@vama.co.in.
14. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with Annual Report 2021-22 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 2021-22 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.
15. 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.

16. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
17. 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.
18. 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.
20. Retirement of Director by rotation: Ms. Rama Sravanthi Rambatla being eligible, offers herself for re-appointment. The Board of Directors recommend her re-appointment, whose office is liable to retire by rotation.
21. 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 has been fixed as Friday, September 23, 2022.

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 on the date of 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 has been 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 is 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 begins on 27th September, 2022 at 09:00 A.M. and ends on 29th September, 2022 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., 23rd September, 2022 may cast their vote electronically. The Remote e-voting module shall be disabled by CDSL for voting thereafter.
- (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	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 i.e. CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.

	<p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>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 or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. 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>
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<p>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.nsd.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.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider 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>
<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 NSDL helpdesk by sending a request at evoting@nsdl.co.in or call attoll free no.: 1800 1020 990 and 1800 22 44 30

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 demat shareholders 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 on to 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@vama.co.in, 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 (company email id). 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 (company email id). 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 23rd September, 2022, 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.
- 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
DirectorDIN:00997493

Place: Hyderabad
Date: 02nd September, 2022

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

Item No.3

The members may note that pursuant to the provisions of Section 161 of the Companies Act, 2013, Ms. Jonnada Vaghira Kumari was appointed as Additional Director (Independent category) of the Company with effect from 19.10.2021, who holds the office as such till the ensuing Annual General Meeting:

The Company has received a Notice in writing from its member as required under Section 160 of the Act proposing the candidature of Ms. Jonnada Vaghira Kumari for the office of Director of the Company.

Pursuant to the provisions of Section 160 of the Companies Act, 2013 read with Rules thereunder, any proposal to appoint a Director needs to be approved by the members in their General Meeting.

Ms. Jonnada Vaghira Kumari has declared that she is not disqualified from being appointed as Director in terms of Section 164 of the Act and that she meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. She has also given her consent for the proposed appointment to the office of Director of the Company.

Further, in the opinion of the Board, Ms. Jonnada Vaghira Kumari fulfills the conditions of her appointment as Independent Director as specified in the Act and the Rules made thereunder and she is independent of the Management as well.

She possess immense wealth of knowledge and expertise in her respective field and brings her vast and rich experience that would definitely help the Company to take itself to the next level of growth. Keeping the said in view, it will be in the best interest of the Company that the said Additional Director be appointed as Director on the Board of the Company.

Pursuant to the provisions of Section 149 of the Act, an independent director shall hold office for a term upto 5 (Five) consecutive years on the Board of a company and such Director shall not be included in the total number of directors for calculating the number of directors who would retire by rotation. If the appointment is approved, Ms. Jonnada Vaghira Kumari shall hold her office of Independent Director of the Company up to 18th October, 2026.

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 Ms. Jonnada Vaghira Kumari as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company, during working hours on all working days, till 30th September, 2022 and shall be available on our website, www.vamaind.com.

Brief Profile of Ms. Jonnada Vaghira Kumari:

She is a qualified Company Secretary and a Law Graduate. She holds eight years of experience in various Companies. She possesses immense wealth of knowledge and expertise in her field and brings with her fair amount of experience that would definitely help the Company to set good standards of Corporate Governance. Keeping the said in view, it will be in the best interest of the Company that Ms. Jonnada Vaghira Kumari be appointed to the office of Independent Director of the Company. Except Ms. Jonnada Vaghira Kumari, being an appointee, none of the Directors and Key Managerial Personnel of the Company and her relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3. This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Your Board of Directors recommend the Special Resolution for your approval.

Information in respect of Director seeking 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 Ms. Jonnada Vaghira Kumari is available and can be accessed at www.vamaind.com.

Name of the Director	Jonnada Vaghira Kumari
Date of Appointment including terms and conditions of appointment	Appointed as the Independent Director of the Company effective 19.10.2021, for a period of 5 years, subject to approval of the members of the Company. No specific terms and conditions, other than as laid at Schedule IV to the Companies Act, 2013.
Date of first appointment on the Board	19.10.2021
Date of Birth	07/05/1989 (Age: 33 years)
Expertise in Specific Functional areas and Experience	Being a member of the Institute of Company Secretaries of India, she has more than eight years of experience in handling secretarial and legal compliances in various Companies.
Educational Qualification	Bachelor of Arts, ACS, LLB
Directorships in other Companies (other than Vama Industries Limited)	GVR Ashoka Chennai ORR Limited DRS Dilip Roadlines Limited Aryabhatta Solutions And IT Parks Limited Tanvi Foods (India) Limited.
Membership / Chairmanship of committees of Other Boards (other than Vama Industries Limited)	DRS DILIP ROADLINES LIMITED Stakeholder's Relationship Committee- Chairman Audit Committee - Member Nomination & Remuneration Committee- Member GVR ASHOKA CHENNAI ORR LIMITED Corporate Social Responsibility Committee- Chairperson ARYABHATTA SOLUTIONS AND IT PARKS LIMITED Audit Committee - Chairman Stakeholder's Relationship Committee- Chairman Nomination & Remuneration Committee- Member TANVI FOODS (INDIA) LIMITED Audit Committee – Member Stakeholder's Relationship Committee- Chairman Nomination & Remuneration Committee- Member
Details of Remuneration sought to be paid and the remuneration last drawn by such person	Nil remuneration. Sitting fee as may be decided by the Board from time to time.
Shareholding in the Company as on 31.03.2022	Nil
Relationship between Directors inter-se/ Manager and KMPs	Not related to any Director, Manager or KMPs
Number of Meetings of the Board attended during the year	2/2

Information in respect of Director seeking 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 Ms. R. Rama Sravanthi is available and can be accessed at www.vamaind.com.

Name of the Director	R. Rama Sravanthi
Date of Appointment including terms and conditions of appointment	Re appointed to the office of Director in the AGM held on December 29, 2020. Retires by rotation in the ensuing AGM, and being eligible offering herself for re-appointment. She shall be subject to retirement by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013. No other specific terms and conditions.
Date of first appointment on the Board	01.03.2015
Date of Birth	01.01.1986
Expertise in Specific Functional areas and Experience	Has rich experience in the field of Medical Science promotions
Educational Qualification	Master of Physiotherapy
Directorships in other Companies (other than Vama Industries Limited)	NIL
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	Being a non-executive Director, not entitled to any remuneration other than Sitting Fee as decided by the Board from time to time
Shareholding in the Company as on 31.03.2022	Nil
Relationship between Directors inter-se/ Manager and KMPs	Not related to any Director, Manager or KMPs
Number of Meetings of the Board attended during the year	7/7

Item Nos.4 & 5

As the members are aware, M/s. V N S S & Associates, Chartered Accountants were appointed to the office of Statutory Auditors of the Company for a period of 5 years, i.e., till the conclusion of the AGM to be held in respect of FY 31.03.2023. However, the said Auditors have resigned from their office of Statutory Auditors of the Company, effective 02nd September, 2022, in view of shortage of manpower at their end. This has resulted in casual vacancy in the said office. In order to fill the said vacancy, the Board, upon recommendation of Audit Committee, appointed M/s. P. Suryanarayana & Co., Chartered Accountants (Firm Registration Number: 009288S) to the office of Statutory Auditors of the Company, who shall hold the office till the conclusion of the ensuing Annual General Meeting, subject to the approval of members of the Company.

Pursuant to the provisions of Section 139(8) of the Companies Act, 2013, any such appointment by the Board needs to be approved by the Company at a General Meeting. Hence the resolution at Item No.4 is recommended for your consideration.

Further, since the tenure of aforementioned appointment would be till the conclusion of the ensuing Annual General Meeting only, as proposed vide Item No.4 to the said Notice, it is also proposed to appoint M/s. P. Suryanarayana & Co., Chartered Accountants to the office of Statutory Auditors of the Company for a period of 5 years, vide item No.5 to the said Notice. In other words, if appointed, M/s. P. Suryanarayana & Co., Chartered Accountants, will hold the office from the conclusion of the ensuing 37th Annual General Meeting till the conclusion of 42th Annual General Meeting, i.e., with respect to financial years, beginning April 1, 2022 and ending on March 31, 2027.

Hence the resolution laid at Item No. 5 in the Notice attached hereto, is recommended for your consideration.Disclosure

in terms of Regulation 36(5) of SEBI Listing Regulations:

Term of appointment : As stated above.

Further, it is proposed to pay a fee upto a maximum of Rs.4 lacs plus applicable taxes, and out of pockets expenses if any, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company. The proposed fee is higher than the fee paid to the outgoing Auditors in view of the credentials and expertise of the proposed auditors.

M/s. P. Suryanarayana & Co., is a firm of Chartered Accountants founded in the year 1997. The total experience of the firm is more than 2 decades, having expertise in the areas of Auditing, Ind AS Consultancy, TEV Study for Projects financed by banks and Direct – Taxation. In view the said, the audit committee / Board of Directors have recommended M/s. P. Suryanarayana & Co., to the office of Statutory Auditors.

None of the Directors, Key Managerial Personnel or their relatives is interested or concerned, whether financially or otherwise in the said resolutions.

By the Order of the Board
For Vama Industries Limited

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

Place: Hyderabad
Date: 02nd September, 2022

Dear Members,

Your Board of Directors are pleased to present the Company's 37th Annual Report and the Company's Audited Financial Statement (Standalone & Consolidated) for the financial year ended March 31, 2022.

FINANCIAL PERFORMANCE

The Financial Results and performance of your Company for the year ended 31st March, 2022 on Standalone and Consolidated basis is summarized below:

(` In Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Turnover	1519.23	1488.82	1,634.18	2606.97
Other Income	55.60	58.46	55.60	58.46
Total Income	1574.83	1547.28	1,689.78	2665.43
PBIDT	185.62	231.14	180.91	429.98
Less: (i) Interest	147.32	176.72	147.32	176.72
(II) Depreciation	29.15	37.18	29.15	37.18
Profit Before Exceptional Items and Tax	9.15	17.24	4.44	216.08
Exceptional Items	-	-	-	-
Profit Before Tax	9.15	17.24	4.44	216.08
Less: Provision for Tax				
- Current	-	-	0	6.53
- Deferred	(0.71)	1.65	(0.71)	0.60
Profit After Tax	9.86	15.60	5.15	208.95
Earnings Per Share (EPS)	0.02	0.03	0.01	0.40
Balance Carried to B/S	9.86	15.60	5.15	208.95

PERFORMANCE SUMMARY AND STATE OF AFFAIRS

Your Board of Directors admit that FY 2021-22 was yet another year of low turnover, low profitability, hardships in terms of cash flows and funds flows and cascading delayed statutory payments. That said, we would also like to mention that your management is leaving no stone unturned to explore and tap the business opportunities in its perimeter. Your Company reported a very mediocre performance for the FY 2021-22, with a topline of Rs.1519.23 lacs as against Rs.1488.82 lacs for the FY 2020-21 and a bottomline of Rs.9.86 lacs as against Rs.15.60 lacs for the FY 2020-21. However, we draw consolation out of the fact that despite all odds, your Company reported positive figures, both at standalone level as well as at consolidated level. Though the Company's performance was not at expected levels, your management deserves to be appreciated for their efforts in the backdrop of horrific conditions that have arisen on account of global pandemic during the first half of the FY 2021-22 and the Russia – Ukraine war during the second half of the said FY.

As you are aware, our business depends largely on government orders, especially space and defence sectors, which were put on back burner, owing to paradigm shift amidst the pandemic chaos. Owing to various policy decisions and cascading delays, the adverse impact spilled over to the FY 2021-22 and also during the first half of 2022-23. However, we were successful in containing the expenses, thus reporting a positive bottomline with a trust of quick revival.

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 has been contributing positively to the topline as well as to the bottomline of the Company at consolidated level. 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. 1,634.18 lacs for the FY 2021-22 as against Rs. 2,606.97 lacs for the FY 2020-21. Similarly, we recorded a PAT of Rs.5.15 lacs for the FY 2021-22 as against a PAT of Rs.208.95lacs for the FY 2020-21.

Standalone Level

At Standalone Level, we have achieved an operational turnover of Rs.1519.23 lakhs and earned a PAT of Rs.9.86lacs for the FY 2021-22 as against an operational turnover of Rs.1488.82lacs and a Net Profit of Rs.15.60Lacs for the FY 2020-21.

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

Particulars	2021-22		2020-21	
	USD	INR	USD	INR
Revenue from operations	153,599	1,14,47,733	15,65,221	11,66,34,975
Profit/loss for the year after meeting all expenses before Interest, Depreciation & Tax)	(14,596)	(10,87,840)	2,70,873	1,98,85,103
Less:				
Interest	-		-	-
Depreciation and other write off	-		-	-
Provision for Taxation	(1202)	(89,585)	(8,890)	(6,53,415)
Net Profit/Loss	(15,798)	(11,77,425)	2,61,983	1,92,31,688

BUSINESS OPERATIONS AND OUTLOOK

VAMA is a System Integrator providing solutions to Space and Defence customers and also supporting Cloud Projects.

Further, your Company has also been supporting High Performing Computing Services and cloud services which are in high demand globally. We have already done few projects in the cloud space. VAMA has been implementing projects all over India for Defence, Space, C-DAC, sectors and is taking up turnkey projects. 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 Defence 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 Project with Machine to Machine Communication. We are confident that with the increase in sales and marketing activities, our domestic as well as international business will report better performance.

EXTERNAL FACTORS – COVID-19 AND THE OUTBREAK OF WAR – IMPACT THEREOF

The Financial Year 2021-22 suffered two major jolts, causing far reaching impact on the global economy. First, it was COVID-19 and then the Russia – Ukraine war. The beginning of the financial year witnessed unprecedented spread of COVID-19 resulting in lockdowns, restrictions on movements across the country and mass fatalities. Towards the end of 2nd quarter of the FY, while the waves of COVID started to subside steadily and normalcy was about to be restored, the Russia – Ukraine war broke out in the 4th quarter of the FY. The said events may have peculiar impacts on the global economy. While we are collectively and parallelly combating this pandemic, we are also slowly but steadily trying to recover and restore normalcy in our economy and also our lives. We have, to a certain extent, learned to adapt and align our work culture in tune with this Covid -19. Vama, being substantially dependent on Government budget allocations, is closely following up with its client organisations and departments in order to keep a real time track of their decisions. This has helped us plan our resources in an optimal manner. Further, we are constantly in touch with our Bankers who have helped the Company, time and again, to tide over the liquidity crisis. Further, we are also keeping our employees apprised of the developments in the Company and have been successful in retaining their confidence in the management.

Your management is all geared up to face any challenge and overcome any contingency with absolute resilience.

Further, we draw your attention to Note 2.41 to the Standalone Financial Statement for more discussion on the captioned matter.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE COMPANY & NATURE OF BUSINESS

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. Despite the said, as discussed above, the impact of Covid-19 may have its own ripple effect on the business operations of the Company.

NATURE OF BUSINESS

There has been no change in the nature of business of your Company during the FY ended 31st March, 2022.

DIVIDEND

In view of low profits for the FY 2021-22 and as a conservative approach, your Board of Directors have resolved to adopt a cautious approach towards distribution of its resources. Hence, no Dividend is recommended for the FY 2021-22.

Pursuant to Regulation 43A of SEBI (LODR) Regulations, 2015 we have framed a Dividend Distribution Policy and the same is herewith annexed as '**Annexure IX**' 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 2021-22, 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 : 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, 2022, it has recorded a turnover of USD 1.54 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_Subsidary_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 2021-22 (Rs. In lacs)	Maximum amount outstanding during the year 2021-22 (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 September, 2021.

- Mr. Vegesna Atchyuta Rama Raju (DIN: 00997493) was reappointed to the office of Managing Director for a period of 3 years effective 01.07.2021
- Mr. S.B.V. Subrahmanyam (DIN: 07483603) & Mr. Satish Marlapudi (DIN: 09115483) were appointed to the office of Independent Directors of the Company for a period of 5 years effective 08.04.2021
- In terms of Section 152 of the Companies Act, 2013, Mrs. V. Parvathi (DIN:00997493) was reappointed to the office of Director.

As informed earlier, Mr. K.V. Krishna Rao (DIN:01889382) & Mr. Vara Prasad Raju (DIN: 01607711) resigned from their respective office of Independent Directors of the Company effective 09.04.2021 due to pre-occupation.

Further V. Srinivas (DIN: 08050605) has resigned from his office of Independent Director effective 18.10.2021 due to his pre-occupation & other commitments.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Ms .Rama Sravanthi Rambatla (DIN: 07098278)retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment.

Mr. Kallepally Bharath Kumar has been appointed to the office of Company Secretary and compliance officer of the Company effective 13th November, 2021 in place of Mr. Gurpreet Singh Sial who has resigned from the said office.

Further, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors have appointed Mrs. Jonnada Vaghira Kumari (DIN: 06962857) as Additional Director (independent director) of the Company, effective 19th October, 2021, who hold her office as such till the ensuing Annual General Meeting.

Resolutions seeking approval of members for her appointment as an Independent Director for a period of five years commencing from 19th October, 2021 forms part of the Notice of AGM attached herewith.

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 14th February, 2022 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.

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 changes in the Board of Directors, the compositions of committees have undergone appropriate changes. Subsequent upon revision, the compositions of the committees of the Board, presently, are hereunder:

Audit Committee

Ms. Jonnada Vaghira Kumari	–	Chairman
Mr. Satish Marlapudi	–	Member
Mr. S. B.V. Subramanyam Alumolu	–	Member
Ms. R. Rama Sravanthi	--	Member

Nomination and Remuneration Committee

Mr. S. B.V. Subramanyam Alumolu	–	Chairman
Ms. Jonnada Vaghira Kumari	–	Member
Mr. Satish Marlapudi	–	Member
Ms. R. Rama Sravanthi	-	Member

Stakeholders Relationship Committee

Mr. S. B.V. Subramanyam Alumolu	–	Chairman
Ms. Jonnada Vaghira Kumari	–	Member
Ms. R. Rama Sravanthi	--	Member

Risk Management Committee

Ms. Jonnada Vaghira Kumari	–	Chairman
Mr. V. Atchyuta RamaRaju	–	Member
Ms. V. Parvathi	–	Member

Subsequent upon the resignation of Mr. K.Venkata Krishna Rao, Mr. K. Vara Prasad Raju & Mr. V. Srinivas from the Board of Directors, the following changes took place in the composition of committees

- Mrs. Jonnada Vaghira Kumari was appointed as the Chairman and Mr. Satish Marlapudi & Mr. S. B.V. Subramanyam Alumolu as the members of the Audit committee in place of outgoing members.
- Mr. S. B.V. Subramanyam Alumolu was appointed as the Chairman and Mr. Satish Marlapudi & Ms. JonnadaVaghiraKumari as the members of the Nomination and Remuneration committee in place of the outgoing members.
- Mr. S. B.V. Subramanyam Alumolu was appointed as the Chairman and Ms. Jonnada Vaghira Kumari as the member of Stakeholders Relationship Committee in place of the outgoing members.
- Ms. JonnadaVaghira Kumari was appointed as the Chairman of the Risk Management committee in place of Mr. V. Srinivas.

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 a whole, Board Committees and peer evaluation of directors. While carrying out the evaluation process, industry practises 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 Mrs. Jonnada Vaghira Kumari, Mr. S. B.V. Subramanyam Alumolu & Mr. Satish Marlapudi, who were appointed as Non-Executive Independent Directors of the Company.

Performance evaluation of the Board members is a continuous exercise at Vama, which helps us to rectify and improve the functioning on a real time basis.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION ETC.,

We have devised the following policies, which are attached herewith and marked as **Annexure –VII and VIII** 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 7 times during the Financial Year 2021-22 i.e., 08th April 2021, 28th June 2021, 28th July 2021, 02nd September 2021, 19th October 2021, 13th November 2021 & 14th February 2022. 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, Directors attendance etc., is provided in the report on Corporate Governance, which forms part of the Board's Report.

RISK MANAGEMENT

Our Risk Management Committee kept continuing its Covid related services in the long term interest of the employees and sustainability of the Company.

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. V N S S& Associates, Chartered Accountants, (FRN 018367S) who were appointed as the Statutory Auditors of the Company at the 33rd Annual General Meeting held on 26th September, 2018 for a period of 5 years have resigned from their office of Statutory Auditors of the Company, effective 02nd September, 2022, in view of shortage of manpower at their end. The casual vacancy, thus arising, has been filled by the Board, by appointing M/s. P. Suryanarayana & Co., Chartered Accountants (Firm Registration Number: 009288S) to the office of Statutory Auditors of the Company, who shall hold the office till the conclusion of the ensuing Annual General Meeting, subject to the approval of members of the Company. Further, it is also proposed that M/s. P. Suryanarayana & Co., be appointed for a period of 5 years, to hold the office from the conclusion of the ensuing 37th Annual General Meeting till the conclusion of 42th Annual General Meeting, i.e., with respect to financial years, beginning April 1, 2022 and ending on March 31, 2027.

Respective resolutions are attached for your consideration.

Auditors Observation(s) & reply thereto:

1. As regards "Emphasis of Matter" stated in Report on Standalone Financial Statements and also in Report on Consolidated Financial Statements, we would like to mention that the matter pertains to the pandemic Covid -19, which, having caused a mayhem on the human beings at large seems to have been tackled to a great extent as of now. The same has been more discussed somewhere else in this Report and also under respective Note 2.42 of the Standalone Financial Statements and that of Consolidated Financial Statements attached herewith.
2. As regards the reported delays in depositing undisputed statutory dues, (para vii in the **Annexure A** 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 the cascading impact of pandemic, beyond the control of the management. Most of the said dues have been either paid as on date or will be paid very shortly. The management shall endeavour that such delays are not repeated in the future, once the normalcy is restored.

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

Internal Auditors:

M/s. KCR & Associates, Chartered Accountants, Hyderabad, held the office of the Internal Auditors of the Company for the FY 2021-22. The Internal Audit Reports were submitted on quarterly basis and the same were placed in the respective Meetings of the Audit Committee and that of the Board of Directors.

Further, the Board of Directors have appointed Mr. Goda Sreenivasa Karthik Siva Charan, Chartered Accountant (M.no 243653) as the Internal Auditor of the Company for the Financial Year 2022-23 in place of M/s. KCR & Associates, Chartered Accountants, Hyderabad, who have resigned from their office as such owing to preoccupation.

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 P.S. Rao & Associates, Company Secretaries in practice, to undertake the secretarial audit of the Company for the FY 2021-22.

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

Observation(s)& reply thereto:

As regards the alleged non-compliance of Regulation 6(1) of SEBI (LODR) Regulations, 2015, (appointment of qualified company secretary as the compliance officer) leading to levy of fine by BSE and subsequent action of freezing the demat accounts of the promoters, it is clarified and reiterated that the Company has been in due compliance of the said Regulation. We understand it was an error of omission. Upon providing appropriate explanation by the Company, the Stock Exchange caused the unfreezing of the demat accounts.

As regards delay in filings of forms / returns with MCA and Reports with STPI, 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.

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 2021-22, no contracts / agreements / transactions, falling within the purview of Section 188 of the Companies Act, 2013 have been entered into by the Company with its related party(ies), whether on arm's length basis or not. Hence the question of reporting materially significant related party transactions, conflict of interest etc., does not arise.

As a matter of information, members may refer Note 2.32 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

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 2021-22, the unclaimed dividend in respect of financial year 2013-14 amounting to Rs. 32,449 (Rupees Thirty Two Thousand Four hundred and Forty Nine 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 ended	Percentage of Dividend	Date of Declaration	Due date for transfer to IEPF
1	2014-15(Final)	2%	29.09.2015	01.12.2022
2	2015-16(Final)	1%	26.09.2016	28.11.2023
3	2016-17(Final)	5%	25.09.2017	27.11.2024
4	2017-18(Final)	5%	26.09.2018	28.11.2025
5	2018-19(Final)	1%	25.09.2019	27.11.2026
6	2019-20 (Final)	Nil	NA	NA
7	2020-21 (Final)	Nil	NA	NA
8.	2021-22 (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: 2013 – 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, 2022. Further, there were no outstanding deposits as at the beginning of the FY or at any time during the FY 2022. 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 Directors during the FY ended 31st March, 2022 and / or outstanding as on the said date are as hereunder:

Sl. No.	Name	Borrowings during the year (Rs. In lacs)	Repayments during the year (Rs. In lacs)	Amt. outstanding as on 31st March, 2022 (Rs. In lacs)
1.	Mr. V. Atchyuta Rama Raju	7.00	96.53	55.32
2.	Mrs. V. Parvathi	4.00	17.55	20.05

Further, Mr. V. Atchyuta Rama Raju and Mrs. V. Parvathi have provided declaration(s) in writing that the amounts lent by them are their own funds and not been given out of funds acquired by them 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_2021_22.pdf

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 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 X** 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-IV**, attached to this Report.

CORPORATE GOVERNANCE

We have been making every endeavour 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 2021-22 and a certificate from Mr. Vikas Sirohiya, partner, M/s. P.S.Rao & Associates, Company secretaries, is furnished which forms part of this Annual Report as **Annexure- VI**.

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 2021-22 in electronic format to all our 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 2021-22 has been duly paid. You may further note that the listing/ trading was never suspended at any time during the financial year 2021-22

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 – V(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 lakhs per month or Rs.1.02Croresper annum, as the case may be.

Further, details of top ten employees in terms of remuneration drawn during the financial year ended 31stMarch, 2022as 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- V (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.4.55 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 31stMarch, 2022.

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, 2021-22 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.

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. However, as discussed elsewhere in this Report, the Company received a reminder from BSE Limited, to freeze promoters demat accounts in view alleged non-compliance of Regulation 6(1) SEBI Listing Regulations. Subsequently the promoters demat accounts were frozen and upon explanation provided by the Company, the demat accounts were unfrozen, restoring the status quo.

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 – III** to this Report.

ACKNOWLEDGEMENTS AND APPRECIATIONS

We would like to sign out off the Directors Report by placing our deep appreciation for the services rendered by our employees, defying all the adversaries, whatsoever. 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 also extend our hearty gratitude 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
DirectorDIN:00997493

Place: Hyderabad
Date: 02nd September, 2022

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

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	01.04.2021 to 31.03.2022
4.	Reporting Currency	USD
	Exchange rate used for conversion	
	i. as on the last date of FY (for Balance Sheet items)	Rs.75.81per USD
	ii. average yearly rate for P & L items	Rs.74.53per USD
5.	Share Capital	\$ 6,000
6.	Reserves & Surplus	\$ 2,60,041 (Retained Earnings)
7.	Total Assets	\$ 413,902
8.	Total Liabilities	\$ 413,902
9.	Investment	Nil
10.	Turnover	\$ 153,599
11.	Profit/(Loss) before taxation	\$ (14,596)
12.	Provision for taxation	\$1202
13.	Profit/(Loss) after taxation	\$ (15,798)
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

Forand 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: 02nd September, 2022

Sd/-
G Siva
 Chief Financial Officer

Sd/-
K. Bharath Kumar
 Company Secretary

FORM NO: MR-3
SECRETARIAL AUDIT
REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022
[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

We 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 us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our 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, we, hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by Vama Industries Limited ("the Company") and made available to us for the financial year ended on 31st March, 2022 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;

We 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:

- *During the period under review, the demat accounts of the promoters were frozen and remained as such for certain period till the same were unfrozen upon explanation made by the Company to BSE, in the backdrop of alleged non-compliance of Regulation 6(1) of SEBI (LODR) Regulations, 2015 and consequent levy of fine pursuant to SEBI SOP Circular dated January 22, 2020.*
- *There were few instances where the Company filed forms and returns required to be filed with the Registrar of Companies with additional fee.*

We 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) The Trade Marks Act, 1999.

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

We 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 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 except below:

The Company's business operations were adversely impacted owing to Covid 19, its cascading restrictions and other issues arising therefrom.

Further, attention is drawn to Notes to Financial Statements, which describes the management assessment of the impact of Covid -19 pandemic.

For P.S. Rao & Associates
Company Secretaries

Sd/-
Vikas Sirohiya
Partner
M. No. 15116
C.P. No. 5246
UDIN: A015116D000901947

Place: Hyderabad
Date: 02.09.2022

[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. We 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. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
4. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
5. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
7. We 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.

For P.S. Rao &
Associates Company
Secretaries
Sd/-

Vikas Sirohiya
Partner

M. No. 15116
C.P. No. 5246

UDIN: A015116D000901947

Place: Hyderabad
Date: 02.09.2022

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 equipments;

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 (inflow) : 173.17
- ii. Foreign Exchange Outgo : 83.41

For and on behalf of the Board

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

Place: Hyderabad
Date: 02nd September, 2022

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 be 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 of 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 “smart factory”:

- 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 represents 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

(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 27001: 2013 – Information Security Management System
- ISO 20000-1: 2018 – IT Service Management System
- ISO 9001: 2015 – Quality 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:

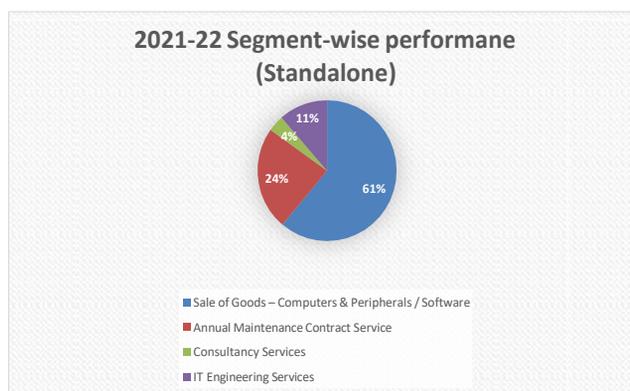
- IT Services and Consulting
- Engineering Services
- IT Infrastructure Solutions
- Internet of Things
- Cloud Technologies and Openstack Cloud Projects
- BI and Analytics
- Manual and Automation Testing
- Software Development
- Database Services
- CAD and Engineering Data Management
- Product Design 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

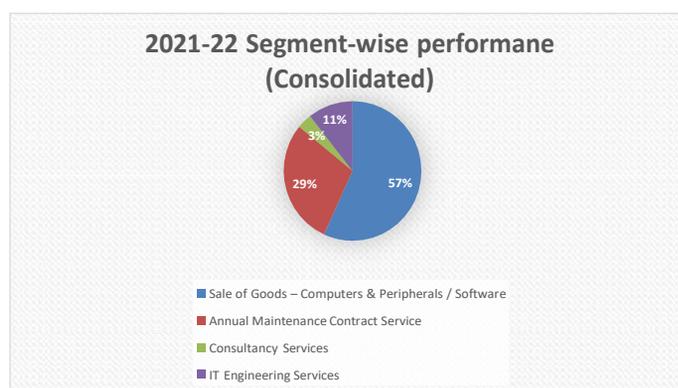
Particulars	2021-22	2020-21
Sale of Goods – Computers & Peripherals / Software	928.51	1,022.05
Annual Maintenance Contract Service	360.73	143.22
Consultancy Services	56.82	180.06
IT Engineering Services	173.17	143.49
Total Revenue	1,519.23	1,488.82



Rs.In Lakhs

Consolidated basis

Particulars	2021-22	2020-21
Sale of Goods – Computers & Peripherals / Software	928.51	2,084.32
Annual Maintenance Contract Service	475.68	247.30
Consultancy Services	56.82	131.85
IT Engineering Services	173.17	143.49
Total Revenue	1,634.18	2,606.96



(d) Outlook

VAMA is a System Integrator providing solutions to Space and Defence customers and also supporting Cloud Projects.

Further, your Company has also been supporting High Performing Computing Services and cloud services which are in high demand globally. We have already done few projects in the cloud space. VAMA has been implementing projects all over India for Defence, Space, C-DAC, sectors and is taking up turnkey projects. 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 Defence 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 Project with Machine to Machine Communication. We are confident that with the increase in sales and marketing activities, our domestic as well as international business will report better performance.

Further, it is advised to refer our discussion under the head “External Factors – Covid-19 and the outbreak of War – Impact thereof” laid elsewhere in this Report.

(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.

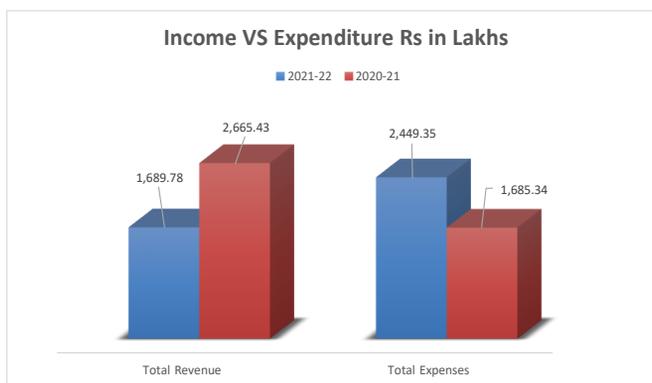
Senior level management reviews are conducted in order to ascertain the effectiveness of the Internal Financial Controls. Further, it is also obtained through our management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the Internal Financial Control 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	2021-22	2020-21
Export Revenue		
IT Services	288.12	247.57
Sales of computers & Peripherals	--	1062.27
Domestic Revenue		
Services / Consultancy / Projects	417.55	275.08
Sales of computers & Peripherals	928.51	1022.05
Other Income	55.60	58.46
Total Revenue	1,689.78	2,665.43

EXPENDITURE	2021-22	2020-21
Material Consumed	1,207.32	1,862.32
Changes in Inventories	(28.91)	(93.37)
Employee Benefit Expenses	193.19	333.61
Finance Cost	147.32	176.72
Depreciation and Amortisation Expenses	29.15	37.18
Other Expenses	137.27	132.89
Total Revenue	1,685.34	2,449.35



(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 31.03.2022
1	*Executive Directors	2
2	Key Managerial Personnel (KMP)	2
3	Other employees	36
	Total	40

*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:

	FY 2021-22	FY 2020-21	Explanation
i Current Ratio	1.60	1.26	On account of significant decrease in borrowings, consequently decrease in current liabilities.
ii Debt Equity	0.38	0.61	On account of significant decrease in borrowings i.e.; repayment by the Company.
iii DSCR	0.48	1.13	On account of principal repayment and decrease in borrowings
iv Return on equity	0.01	0.01	-
v Inventory Turnover ratio	1.07	1.10	-
vi Trade Receivables Turnover	1.01	1.24	-
vii Trade Payables Turnover	0.83	0.96	-
viii Net Capital Turnover	1.47	0.93	On account of change in working capital, but company is able to maintain Turnover.
ix Net Profit Ratio	0.60	1.16	On account of increase in direct expenses, other overheads, Consequently decrease in profits.
x Return on Capital employed	5.05	4.16	-
xi Return on investment	0.47	0.90	On account of increase in direct expenses, other overheads, Consequently decrease in profits

(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 Profit of Rs.9.86 lacs for the FY 2021-22. Thus the Return on Net Worth for the said FY stands at 0.01. However, for the FY 2020-21, the Company earned a Net profit of Rs.15.60 lacs. Thus reporting an almost constant 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 2022, together with the comparative period data as at and for the year ended 31st March 2021, 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 27001: 2013 – Information Security Management System
- ISO 20000-1: 2018 – IT Service Management System
- ISO 9001: 2015 – Quality 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. Further, attention is drawn to Notes to Financial Statements, which describes the management assessment of the impact of Covid -19pandemic.

For and on behalf of the Board

Sd/-

V. Atchyuta Rama Raju

Chairman and Managing

Director

DIN:00997493

Place: Hyderabad

Date: 02nd September, 2022

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 2021-22		
		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	(75 %)	1.88
2	Ms. V. Parvathi Executive Director	2.28	Nil	0.57
3	Mr. S.B.V. Subrahmanyam Alumolu Independent Director	Nil	Nil	N.A
4	Ms. R. Rama Sravanthi Non- Executive Director	Nil	Nil	N.A
5	Mr. M. Satish Independent Director	Nil	Nil	N.A
6	Ms. Jonnada Vaghira Kumari Independent Director	Nil	Nil	N.A
7	Mr. G. Siva CFO	11.04	20 %	2.76
8	Mr. Kallepally Bharath Kumar Company Secretary	2.06	N.A	0.52

Mr. S.B.V. Subrahmanyam Alumolu & M. Satish were appointed w.e.f. 08.04.2021

Ms. Jonnada Vaghira Kumari, appointed w.e.f. 19.10.2021

Mr. Kallepally Bharath Kumar, appointed w.e.f. 13.11.2021

Note: The remuneration paid to Mr. V.A. Rama Raju pertains to 3 months only @ 2.5 lakhs per month.

B. Percentage Increase in the median remuneration of all employees in the Financial Year 2021-22:

The median annual remuneration of employees of the Company during the financial year was Rs. 4.00 lacs. In the financial year, there was a decrease of 1.96 % in the median remuneration of employees.

C. Number of permanent employees on the rolls of Company as on 31st March 2022

There were 40 permanent employees on rolls of the Company as on March 31, 2022

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 2021-22. Average percentile increase made in the salaries of the employees other than the managerial personnel in this financial year i.e.; 2021-22 is 4.33%.

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: 02nd September, 2022

Annexure – V(ii)

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 (Years)	Designation	Qualification	Remuneration (per annum)	Nature of Employment	Experience (Years)	Date of Commencement of Employment	Previous Employment	Relationship with Directors/Managers	Nature of Duties of employee	% of Share holding in the Company
1	VEERA PRASAD A	43	Project Manager	B.E	1,422,447	permanent	16	May-06	Concurrent Analysis Pvt. Ltd	Not Related to any Director	Project Manager	NIL
2	SUVARNA B	41	Project Manager	B.E	1,380,150	permanent	17	Apr-05	Concurrent Analysis Pvt. Ltd	Not Related to any Director	Mechanical Design Engineering	NIL
3	SIVA G	42	CFO	ICWA (inter), M Com & MBA	1,104,000	permanent	15	Oct-07	K N Murthy & Co	Not Related to any Director	Finance & Accounts	0.009
4	JAGADISH BABU T	42	Project	DME	1,189,383	permanent	15	Apr-07	RMSI & Satyam	Not Related to any Director	Engineering Services	NIL
5	ANIL KUMAR CH	45	Purchase Manager	Bsc (Computers)	828,000	permanent	17	Mar-05	NA	Not Related to any Director	Manager	NIL
6	NARENDER V	33	Team Leader	B. Tech	810,000	permanent	11	Oct-11	NA	Not Related to any Director	Mechanical design Engineering	NIL
7	V.G.V.V.B. Siddhartha	31	Team Leader	B Tech	792,000	permanent	4	Feb-18	NA	Not Related to any Director	Mechanical design Engineering	NIL
8	VENKATA SIVA RAMA KUMAR M	42	Accounts officer	MBA	708,000	permanent	14	Mar-08	NA	Not Related to any Director	Finance & Accounts	Nil
9	SARVESH KUMAR B	40	Project Manager	B. Tech	681,000	permanent	14	Dec-08	NA	Not Related to any Director	System Integration	Nil
10	BRAHMANATH B	42	HR MANAGER	B.S.E.	643,200	permanent	14	May-07	NA	Not Related to any Director	System Integration	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 non-executive 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	7/7
Ms. Vegesna Parvathi	Executive Director	7/7
Non - Promoter & Non - Executive Directors		
Mr. K. Vara Prasad Raju	Independent Director	1/1
Ms. R. Rama Sravanthi	Non-Executive Director	7/7
Mr. V. Srinivas	Independent Director	4/4
Mr. K. Venkata Krishna Rao	Independent Director	1/1
Mr. Satish Marlapudi	Independent Director	6/6
Mr. S B V Subramanyam Alumolu	Independent Director	6/6
Ms. JonnadaVaghira Kumari	Independent Director	2/2

Note :

1. Mr. SBV Subramanyam Alumolu & Mr. Satish Marlapudi appointed to the office of Independent Director w.e.f 08.04.2021
2. Mr. K. Vara Prasad Raju & Mr. K. Venkata Krishna Rao resigned from the office of Independent Director w.e.f 09.04.2021.
3. Ms. JonnadaVaghira Kumari appointed to the office of Independent Director w.e.f 19.10.2021
4. Mr. Kallepally Bharath Kumar appointed to the office of Company Secretary & Compliance Officer w.e.f 13.11.2021 in place of Mr. Gurpreet Singh Sial, who resigned w.e.f. 13.11.2021

Attendance at the last Annual General Meeting held on 30.09.2021

Name	Yes / No
Mr. V. Atchyuta Rama Raju	Yes
Ms. V. Parvathi	Yes
Ms. R. Rama Sravanthi	Yes
Mr. V. Srinivas	Yes
Mr. M. Satish	Yes
Mr. S.B.V Subrahmanyam Alumolu	Yes

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	N.A.	-
Ms. V. Parvathi	1	Nil	Nil	N.A.	-
Ms. R. Rama Sravanthi	Nil	Nil	Nil	N.A.	-
Mr. Satish Marlapudi	Nil	Nil	Nil	N.A.	-
Mr. S B V Subramanyam Alumolu	1	Nil	Nil	N.A.	-
Ms. JonnadaVaghira Kumari	Nil	4	5	5	1. DRS Dilip Roadlines Limited – Independent Director 2. Tanvi Foods (India) Limited - Independent Director

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 companies in which they are directors. None of the Directors holds office in more than 10 public companies and seven listed Companies. None of the Directors serves as Independent Director in more than seven listed companies.

d) Number and Date of Board Meetings

During the FY 2021-2022, 7 (Seven) Board Meetings were held, i.e. on 08th April, 2021, 28th June, 2021, 28th July, 2021, 02nd September, 2021, 19th October, 2021, 13th November, 2021 and 14th February, 2022

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

e) Disclosure of relationship between Directors inter-se

Mr. V Atchya 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	Mr. M. Satish	0	0
2	Ms. R Rama Sravanthi	0	0
3	Mr. S.B.V. Subrahmanyam Alumolu	0	0
4	Ms. JonnadaVaghira Kumari	0	0

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](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 14th February, 2022, 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 and Mr. Satish Marlapudi
Functional and Managerial experience	Ms. R Rama Sravanthi, Ms. Vegesna Parvathi and Mr. Satish Marlapudi
Corporate Governance & Strategic management	Ms. Jonnada Vaghira Kumari and Ms. Vegesna 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:

- Mr. S B V Subramanyam Alumolu (appointed w.e.f 08.04.2021)
- Mr. Satish Marlapudi (appointed w.e.f 08.04.2021)
- Ms. Jonnada Vaghira Kumari (appointed w.e.f 19.10.2021)

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

- j)** During the FY 2021-22, Mr. K Vara Prasad Raju and Mr. K. Venkata Krishna Rao resigned from their respective office of Independent Director of the Company w.e.f 09.04.2021 due to their personal obligations, as informed and noted by the Board. Subsequently, Mr. V. Srinivas resigned from his office of Independent Director of the Company w.e.f 18.10.2021 due to his personal obligations, as informed and noted by the Board.

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 in terms 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

Name of Member	Designation
Ms. JonnadaVaghira Kumari	Chairman
Ms. R. Rama Sravanthi	Member
Mr. Satish Marlapudi	Member
Mr. S B V Subramanyam Alumolu	Member

c) Meetings and Attendance during the year

During the financial year ended on 31st March, 2022, the Audit Committee met 5 times -08.04.2021, 28.06.2021, 28.07.2021, 13.11.2021 and 14.02.2022 - with a gap of not more than one hundred and twenty days between any two meetings.

Name	Meetings held	Meeting entitled to attend	Attended
Mr.K.Vara Prasad Raju	5	1	1
Mr.K. Venkata Krishna Rao	5	1	1
Ms. R. Rama Sravanthi	5	5	5
Mr. S B V Subramanyam Alumolu	5	4	4
Mr. Satish Marlapudi	5	4	4
Mr.V.Srinivas	5	3	3
Ms. Jonnada Vaghira Kumari	5	2	2

Notes (in respect of table b and c above) :

- Mr. Satish Marlapudi and Mr. S B V Subramanyam Alumolu appointed as members of the Committee w.e.f 09.04.2021.
- Mr.K.Vara Prasad Raju and Mr. K. Venkata Krishna Rao, resigned as members of the Committee w.e.f 09.04.2021
- Mrs. Jonnada Vaghira Kumari appointed as Chairman of the Committee w.e.f 19.10.2021 in place of Mr. V. Srinivas who resigned from the said office w.e.f 18.10.2021.

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

Name of the Member	Designation
Mr. S B V Subramanyam Alumolu	Chairman
Ms. Jonnada Vaghira Kumari	Member
Ms. R. Rama Sravanthi	Member
Mr. Satish Marlapudi	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, 2022, the Nomination & Remuneration Committee met 4 times on 08.04.2021, 02.09.2021, 19.10.2021 and 14.02.2022

Name	Meetings held	Meeting entitled to attend	Attended
Mr. K. Venkata Krishna Rao	4	1	1
Mr. K. Vara Prasad Raju	4	1	1
Ms. R. Rama Sravanthi	4	4	4
Mr. S B V Subramanyam Alumolu	4	3	3
Mr. Satish Marlapudi	4	3	3
Ms. Jonnada Vaghira Kumari	4	2	2
Mr. V. Srinivas	4	2	2

Notes (in respect of table b and c above) :

- Mr.K.Vara Prasad Raju and Mr.K. Venkata Krishna Rao, resigned as members of the Committee w.e.f 09.04.2021
- Mr. V. Srinivas resigned as member of the Committee w.e.f 18.10.2021
- Mrs. Jonnada Vaghira Kumari appointed as member of the Committee w.e.f 19.10.2021
- Mr. S B V Subramanyam Alumolu and Mr. Satish Marlapudi appointed as members of the Committee w.e.f 08.04.2021

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 V (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 2021-22:

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		V. Atchyta 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 Directors.

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. S B V Subramanyam Alumolu
B	Name and designation of compliance officer	Mr. Kallepally Bharath Kumar
C	Number of shareholders' complaints received during the Financial year ended March 31, 2022	Nil
D	Number of complaints not solved to the satisfaction of shareholders as on March 31, 2022	Nil
E	Number of pending complaints as on March 31, 2022	Nil

Composition, name of members and chairperson

Name	Designation
Mr. S B V Subramanyam Alumolu	Chairman
Ms. Jonnada Vaghira Kumari	Member
Ms. R. Rama Sravanthi	Member

Meetings and Attendance during the year:

The Stakeholders' Relationship Committee met 4 times on 28.06.2021, 28.07.2021, 13.11.2021 and 14.02.2022 during the year under review.

Name	Meetings held	Meeting entitled to attend	Attended
Mr. K.V. Krishna Rao	4	NA	NA
Mr. V. Srinivas	4	2	2
Ms. R. Rama Sravanthi	4	4	4
Mr. S B V Subramanyam Alumolu	4	4	4
Ms. Jonnada Vaghira Kumari	4	2	2

Notes (in respect of above tables):

1. Mr. S B V Subramanyam Alumolu appointed w.e.f. 08.04.2021
2. Mr.K. Venkata Krishna Rao resigned as member of the Committee w.e.f 09.04.2021
3. Mr. V. Srinivas resigned as member of the Committee w.e.f 18.10.2021
4. Ms. Jonnada Vaghira Kumari appointed as member of the Committee w.e.f 19.10.2021

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

c. Meetings and Attendance during the year:

The Committee met 4 times on 28.06.2021, 28.07.2021, 13.11.2021 and 14.02.2022 during the year under review.

The composition of Risk Management Committee is as follows:

Name	Meetings held	Meeting	Attended entitled to attend
Mr .V. Srinivas	4	2	2
Mr.V. Atchyuta Rama Raju	4	4	4
Ms. V.Parvathi	4	4	4
Ms. JonnadaVaghira Kumari	4	2	2

Notes (in respect of tables b and c above):

1. Mr. V. Srinivas resigned as Chairman of the Committee w.e.f 18.10.2021
 2. Ms. Jonnada Vaghira Kumari appointed as member of the Committee w.e.f 19.10.2021
- Mr. Kallepally Bharath Kumar, Company Secretary, acts as the secretary of the Risk Management Committee.

VIII) GENERAL BODY MEETINGS

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

Financial Year	Time	Location
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
2019-20 35thAGM	Dec 29, 2020 (Tuesday) at 02.30 P.M	Through Video conference / other Audio Visual means at registered office of the company.
2018-19 34th AGM	Sep 25, 2019 (Wednesday) at 10.00 A.M	Hotel Inner Circle, Raj Bhavan Road, Somajiguda, Hyderabad – 500 082

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

AGM	Special Resolution
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
2019-20	<ul style="list-style-type: none"> • Appointment of Mrs.V. Parvathi (DIN: 01240583) to the office of whole Time Director
2018-19	<ul style="list-style-type: none"> • Re-appointment of Mr. K.Vara Prasad Raju (DIN: 01607711), to the office of Independent Director of the Company for a second term of five consecutive years

- a. 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, no resolution was passed through Postal Ballot. Therefore providing details of person who conducted the Postal Ballot exercise does not arise. Also, no special resolution is being proposed through Postal Ballot as on the date of notice calling the Annual General Meeting. The members of the Company will be intimated appropriately as and when the Postal Ballot need arises.

- b. 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 Navatelangana (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 <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 30, 2022 at 04:00 PM
Venue: Registered Office of the Company (Through VC / OAVM)

- b. **Financial Year (2021-2022)**

The Financial year under review is 2021-2022 (01st April, 2021 to 31st March, 2022).

- c. **Dividend: No Dividend has been recommended for the FY 2021-**

22Unclaimed 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 2013-14 has been transferred to the said Fund in November, 2021.

Unpaid / unclaimed dividend for the financial year 2014-15 shall become due for transfer to the said Fund in November 2022. Members are requested to verify their records and send their claim, if any, for the financial year 2014-15, 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 Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

The Annual Listing fee for the financial year 2021-22 on equity share capital has been paid to BSE. The said Fee for the FY 2022-23 will be paid in the due course of time.

The Company has paid custodial fees for the year 2021-22 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, 2022. The said Fee for the FY 2022-23 will be paid in the due course of time.

e. Stock Code

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

f. Market Price Data

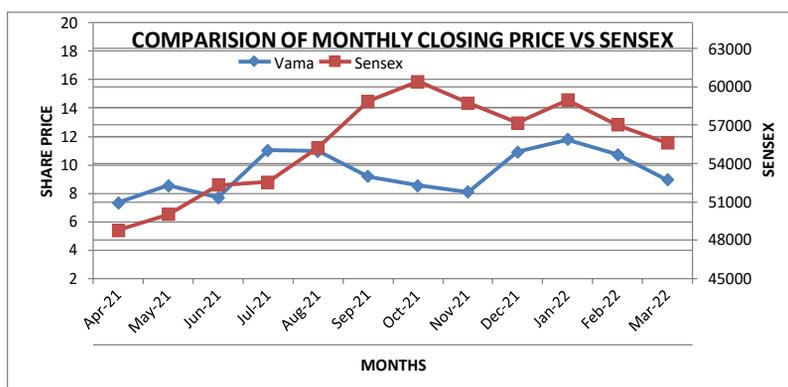
Monthly high, low and the volume of equity shares traded on BSE Limited during the financial year 2021-22:

Financial Year 2021-22	BSE		
	High (Rs)	Low (Rs)	Volume Traded (No. of Shares)
April 2021	8.7	6.32	441588
May 2021	10.08	6.32	646750
June 2010	8.99	6.32	971690
July 2021	11.38	6.32	2481753
August 2021	12.01	6.32	871546
September 2021	11.5	6.32	633068
October 2021	9.99	6.32	846744
November 2021	8.9	6.32	516724
December 2021	12.95	6.32	1809391
January 2022	15.26	6.32	45406320
February 2022	14.39	6.32	9557553
March 2022	11.88	6.32	4295571

Category of Shareholders as on 31.03.2022

SI.No	Category of shareholders	No. of shares	Percentage
1	Promoters	2,25,61,830	42.94
2	Public	2,62,64,215	49.99
3	Corporate Bodies	2,97,236	0.57
4	Clearing Members	2,25,917	0.43
5	Non Resident Indians	31,33,142	5.96
6	Government Companies	57,660	0.11
	Total	5,25,40,000	100

g. Performance in comparison to broad-based indices



h. The trading of our securities was never suspended at any point of time during the FY 2021-22.

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, RajbhavanRoad,
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

(As on 31.03.2022)

Nominal Value of Equity Shares (Rs)	No of shares	% to capital	No of share holders	% of shareholders
1-1000	2234002	4.25	14443	69.05
1001-2000	2544537	4.84	2927	13.99
2001-4000	2566843	4.89	1603	7.66
4001-6000	1517184	2.89	583	2.79
6001-8000	999946	1.90	277	1.32
8001-10000	1480960	2.82	305	1.46
10001-20000	3250110	6.19	419	2.00
20001 and above	37946418	72.22	361	1.73
	52540000	100.00	20918	100

Shareholders holding more than 1% of the shares

Details of shareholders (non-promoters) holding more than 1% of the equity as at March 31,2022 are as follows:(As on 31.03.2022)

SI. No	Name of the Shareholder	No of shares	% of share capital
1	Mr. Anil Unnikrishnan	2256825	4.30
2	Mrs. Lakshmi S K Valiveti	800000	1.52
3	Mr. Subba Rao Vitakula	750000	1.43

l. Dematerialization of shares and liquidity

As at March 31, 2022, 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@vama.co.in

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. 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 the last three years. However, the Company received a Notice from BSE Ltd., requiring the company to pay fine in terms of Circular No SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, on account of alleged non-compliance of Regulation 6(1) of SEBI (LODR) Regulations, 2015. Subsequently the demat accounts of the promoters were frozen and remained as such for certain period till the same were unfrozen upon explanation made by the Company to BSE.

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 behaviour, 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 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.

Auditors	VNSS & Associates
Audit Fee	2,00,000
Tax matters	50,000
Certification Fee	0
Out of Pocket expenses	0
Total	2,50,000

l. 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 28.06.2021 and 14.02.2022 during the year under review

Name	Designation	Meetings held	Meeting entitled to attend	Attended
Ms. V Parvathi	Presiding Officer	2	2	2
Mr. G Siva	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

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 hold 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

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, 2022.

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) Auditors Certificate on Corporate Governance

The Company has obtained certificate from Mr. Vikas Sirohiya, partner P.S. Rao & Associates, Company Secretaries 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.

XIX) 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]



The Board of Directors
VAMA Industries Limited
Hyderabad.

We, V. Atchyuta Rama Raju, Managing Director and G. Siva, 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, 2022 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.

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/-

G. Siva

Chief Financial Officer

Place: Hyderabad

Date: 2nd September, 2022

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, 2022.

For and on behalf of the Board

Sd/-

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

Place: Hyderabad
Date: 2nd September, 2022

CERTIFICATE ON CORPORATE GOVERNANCE

**TO
THE MEMBERS
VAMA INDUSTRIES LIMITED.**

We have examined the compliance of conditions of Corporate Governance by Vama Industries Limited (“the Company”), for the year ended 31st March, 2022, 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. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.S. Rao & Associates
Company Secretaries

Sd/-
Vikas Sirohiya
Partner
M. No. 15116
C.P. No.5246
UDIN: A015116D000901969

Place: Hyderabad
Date: 2nd September, 2022

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, we 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, 2022, 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. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.S. Rao & Associates
Company Secretaries

Sd/-
Vikas Sirohiya
Partner
M. No. 15116
C.P. No.5246
UDIN: A015116D000901958

Place: Hyderabad
Date: 2nd September, 2022

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
DirectorDIN:
00997493

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 measureable 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

DirectorDIN:

00997493

Place: Hyderabad

Date: 02nd September, 2022

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 utilise 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
DirectorDIN: 00997493

Place: Hyderabad
Date: 02nd September, 2022

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: whistleblower@vama.co.in

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
DirectorDIN:
00997493

Place: Hyderabad

Date: 02nd September, 2022

TO THE MEMBERS OF VAMA INDUSTRIES LIMITED**I. Report on the Audit of the Standalone Financial Statements:****Opinion**

We have audited the accompanying Standalone Financial Statements of M/s Vama Industries Limited (“the Company”), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Standalone Financial Statements”).

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and the profit (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013 (“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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Emphasis of Matter

We draw your attention to Note 2.42 of the standalone financial statements, which is fully described the extent to which the COVID-19 Pandemic will impact the Company’s results which depend on future developments that are highly uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	The Key Audit Matters	Auditor's Response
	<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 1 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.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditors report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 during the course of our audit or otherwise appears to be materially misstated. When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors are 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with other 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, 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

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 Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the company to its directors during the year is in accordance with the provisions of the section 197 of the Act.
- h. The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the 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 (Refer Note 2.43Q to the standalone financial statements);

The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 (Refer Note 2.43Q to the standalone financial statements); and

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 sub-clause (a) and (b) contain any material misstatement.

- i. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - 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.

For V N S & ASSOCIATES
Chartered Accountants

Sd/-
V N S SRINIVASARAO
Proprietor
M. No. 225281
Firm Regn. No. 018367S
UDIN :22225281AJVDQI3907

Place: Hyderabad
Date:28.05.2022

Annexure - A 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 31st March, 2022, 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) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, is reasonable, having regard to the size of the company and the nature of its business. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land, are held in the name of the Company as at the balance sheet date.
 - d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
 - 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.
- 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. No material discrepancies were noticed on physical verification.
 - 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 returns or statements with such banks, which are in agreement with the audited books of account (Also refer Note 2.43F to the financial statements).
- 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) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and advances provided are not prejudicial to the company's interest.
 - 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) (c) 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 not extended or no fresh loans granted to settle the overdues of existing loans given to the same parties.
- 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 Provident Fund, Employees' State Insurance, Professional Tax (in the state of Telangana), Income-tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable except Professional Tax Payable of Rs 0.48 Lakhs, Provident Fund of Rs. 5.19 lakhs, Employees State Insurance of Rs. 0.23 Lakhs and Tax Deducted at Source of Rs. 12.52 Lakhs payable for a period of more than six months from the date became payable.
 - 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.
- 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 According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
 - 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) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 2.43E to the financial statements)
 - 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. So, there was no comment on utilization of such funds.
 - 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, and according to the information and explanations given to us, 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, and according to the information and explanations given to us, 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 according to the information and explanations given to us, and as represented to us by the management, no whistle-blower 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. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
 - xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required under the applicable accounting standards.
 - xiv. 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. a) 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.
- b) 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.
- c) 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.
- d) 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 not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause(xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 2.43C 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 V N S S & ASSOCIATES
Chartered Accountants

Sd/-
V N S SRINIVASARAO
Proprietor
M. No. 225281
Firm Regn. No. 018367S

Place: Hyderabad

Date: 28.05.2022

Annexure - B to the Independent Auditors' Report :

(Referred to in paragraph (f) 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")

We have audited the internal financial controls over financial reporting of M/s Vama Industries Limited ("the Company") as of 31st March, 2022 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

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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the 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.

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 (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

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

Opinion

In our opinion, 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 31st March, 2022, 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.

Other Matters

The Company's internal control system for recovery of dues from the customers the credit period, periodical confirmations and reconciliation of customer accounts needs to be strengthened further.

For V N S S & ASSOCIATES
Chartered Accountants

Sd/-
V N S SRINIVASARAO
Proprietor
M. No. 225281
Firm Regn. No. 018367S

Place: Hyderabad
Date: 28.05.2022

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2022


(₹ In lakhs)

Particulars	Note No	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-Current Assets			
Property Plant and Equipment	2.01	229.38	234.65
Intangible Assets	2.02	144.48	168.39
Financial Assets			
Investments	2.03	4.55	4.41
Other Financial Asset	2.04	114.65	87.97
Loans	2.05	-	18.70
Other Bank Balances	2.06	287.94	680.42
Other Non-Current Assets	2.07	36.84	70.46
		817.84	1,265.00
Current Assets			
Inventories	2.08	1,435.23	1,406.32
Financial Assets			
Trade Receivables	2.09	1,669.82	1,350.62
Cash and Cash Equivalent	2.10	44.46	26.88
Other Financial Assets	2.11	69.94	143.58
Current Tax Assets	2.12	123.42	130.97
Other Current Assets	2.13	291.48	353.73
		3,634.35	3,412.10
Total Assets		4,452.19	4,677.10
Equity and Liabilities			
Equity			
Equity Share capital	2.14	1,050.80	1,050.80
Other Equity	2.15	897.24	887.38
		1,948.04	1,938.18
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	2.16	206.44	0.18
Deffered Tax Liabilities (Net)	2.17	27.65	28.36
		234.09	28.54
Current Liabilities			
Financial Liabilities			
Borrowings	2.18	530.64	1,187.45
Trade Payables	2.19	1,465.58	1,166.55
Other Financial Liabilities	2.20	118.14	162.28
Provisions	2.21	19.25	33.60
Other Current Liabilities	2.22	136.45	160.50
		2,270.06	2,710.38
Total Liabilities		4,452.19	4,677.10

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

As per our report of even date
For VNSS & Associates
Chartered Accountants

Sd/-
V N S SRINIVASARAO
Proprietor
M.No. 225281
Firm Regn No. 0183675
UDIN: 22225281AJVDQI3907

Place : Hyderabad
Date: 28.05.2022

for and on behalf of the Board of Directors

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

Sd/-
G. Siva
Chief Financial Officer

Sd/-
V. Parvathi
Executive Director
DIN : 01240583

Sd/-
K Bharath Kumar
Company Secretary

STANDALONE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st March, 2022


(₹ In lakhs)

Particulars	Note No	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Income			
Revenue from Operations	2.23	1,519.23	1,488.82
Other Income	2.24	55.60	58.46
Total Revenue		1,574.83	1,547.28
Expenses			
Cost of Material Consumed	2.25	1,093.88	964.45
Changes in Inventories	2.26	(28.91)	(93.37)
Employee Benefit Expenses	2.27	193.19	333.61
Finance Cost	2.28	147.32	176.72
Depreciation and Amortisation Expenses	2.01	29.15	37.18
Other Expenses	2.29	131.05	111.45
Total Expenses		1,565.68	1,530.04
Profit Before Tax		9.15	17.24
Tax Expenses			
i) Current Tax		1.76	3.32
Less: Mat Credit		(1.76)	(3.32)
ii) Deffered tax		(0.71)	1.65
Profit for the Year		9.86	15.60
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss		-	-
Tax on items that will not be reclassified to profit & Loss			
Items that will be reclassified to Profit or Loss		-	-
Tax on items that may be reclassified to Profit or Loss		-	-
Items that may reclassified subsequently to Profit or Loss		-	-
Total Other Comprehensive Income/Loss for the year net of Taxes		-	-
Total Comprehensive Income for the Year		9.86	15.60
Earning per Share			
Basic Earning Per share @ Rs. 2/- Each		0.02	0.03
Diluted Earning Per share @ Rs. 2/- Each		0.02	0.03

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

As per our report of even date

For VNSS & Associates
Chartered Accountants

Sd/-
V N S SRINIVASARAO
Proprietor
M.No. 225281
Firm Regn No. 0183675
UDIN: 22225281AJVDQI3907

Place : Hyderabad
Date : 28.05.2022

for and on behalf of the Board of Directors

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

Sd/-
G. Siva
Chief Financial Officer

Sd/-
V. Parvathi
Executive Director
DIN : 01240583

Sd/-
K Bharath Kumar
Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022


(₹ In Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
A. Cash flow from Operating activities		
Net Profit before tax as per Profit and loss account	9.15	17.24
Adjustments		
Depreciation and Amortisation Expense	29.15	37.18
Dividend and Interest Income	(55.60)	(57.16)
Finance Cost	147.32	217.19
(Profit) / Loss on sale of Fixed Asset	-	(1.30)
Provision for doubtful debts/advances/ impairment	-	-
Fair value adj for Investments	-	-
Operating profit before working capital changes	130.02	213.15
Movements in Working Capital		
(Increase)/Decrease in Trade and Other Receivables	(319.20)	(306.93)
(Increase)/Decrease in Inventories	(28.91)	(93.37)
Changes in Other Financial Assets	73.64	0.30
Changes in Other Current Assets	64.22	(111.26)
Increase/(Decrease) in Trade Payables	299.03	327.79
Increase/(Decrease) in Other Financial Liabilities	(44.14)	13.77
Increase/(Decrease) in Other Current Liab.	(38.40)	(5.49)
Cash generated from Operations	136.26	37.96
Direct Taxes paid	-	-
Net Cash from Operating activities	136.26	37.96
B. Cash flow from Investing Activities		
(Purchase) / Sale of Fixed Assets (Net)	-	2.46
Intangible assets under development	-	-
(Purchase) / Sale of Investments (Net)	(0.14)	0.11
Change in Other Financial Assets(Non current)	365.80	(661.59)
Changes in Long Term Loans & Advances	18.70	680.08
Changes in Other Non Current Assets	33.62	32.54
(Increase)/Decrease in Other Long Term Liab. / Long Term Prov.	-	-
Dividend and Interest Income received	55.60	57.16
Net Cash from Investment Activities	473.58	110.76
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital/ Share Application Money	-	-
Proceeds / (Repayment) from Long Term Borrowings	206.26	(3.32)
Proceeds / (Repayment) from Short Term Borrowings	(656.81)	66.45
Finance Cost	(147.32)	(217.19)
Dividend Paid	-	-
Dividend Tax Paid	-	-
Net cash used in financing activities	(597.87)	(154.06)
Net (Decrease) / Increase in cash and cash equivalents	11.97	(5.34)
Cash and cash equivalents at the beginning of the year	6.92	12.26
Cash and Cash equivalents at the end of the year	18.89	6.92

- 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)
- The accompanying notes are an integral part of the financial statements
- We have taken into consideration Cash and Cash equivalents instead of effective Cash and Cash equivalents.

As per our report of even date
For VNSS & Associates
Chartered Accountants
Sd/-
V N S SRINIVASARAO
Proprietor
M.No. 225281
Firm Regn No. 018367S
UDIN: 22225281AJVDQI3907

Place : Hyderabad

Date : 28.05.2022

for and on behalf of the Board of Directors
Sd/-
V. Atchyuta Rama Raju

Chairman & Managing Director

DIN : 00997493

Sd/-
G. Siva

Chief Financial Officer

Sd/-
V. Parvathi

Executive Director

DIN : 01240583

Sd/-
K Bharath Kumar

Company Secretary

Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2022

(₹ In Lakhs)

Equity share capital	Opening balance as at 1 Apr 2021	Changes in equity share capital during the year	Closing balance as at 31 Mar 2022
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 1 Apr 2020	Changes in equity share capital during the year	Closing balance as at 31 Mar 2021
52,540,000 Equity Shares @ Rs. 2/- Each, fully paid up	1,050.80	-	1,050.80
	1,050.80	-	1,050.80

Statement of Changes in Equity for the year ended 31.03.2022 (₹ In lakhs)

Particulars	Retained Earnings	Securities Premium	Total Equity
Balance as at 01/04/2021	517.37	370.00	887.37
Profit for the Year	9.86	-	9.86
Dividend paid	-	-	-
Corporate Dividend Tax	-	-	-
Amount Transfer to General Reserve	-	-	-
Net Change in Fair Value of FVTPL investments and others	-	-	-
Actuarial gain / (loss) on post employment benefit obligations, net of tax benefit	-	-	-
Balance as at 31/03/2022	527.24	370.00	897.24
Particulars	Retained Earnings	Securities Premium	Total Equity
Balance as at 01/04/2020	501.77	370.00	871.77
Profit for the Year	15.60	-	15.60
Dividend paid	-	-	-
Corporate Dividend Tax	-	-	-
Amount Transfer to General Reserve	-	-	-
Net Change in Fair Value of FVTPL investments and others	-	-	-
Actuarial gain / (loss) on post employment benefit obligations, net of tax benefit	-	-	-
Balance as at 31/03/2021	517.37	370.00	887.37

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 non current. 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
Intangible Assets	
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:

- o The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- o 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:

- o The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- o 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 is 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 is 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.

2.01: Property, plant and equipment

(₹.in Lakhs)

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value		
	As at 01.04.2021	Additions	Disposals	As at 31.03.2022	As at 01.04.2021	For the year	Impairment for the year	Disposals	As at 31.03.2022	As at 31.03.2021
Computer Software	26.25	-	-	26.25	17.90	0.24	-	-	18.14	8.35
Furniture & Fixtures	6.70	-	-	6.70	4.00	0.32	-	-	4.32	2.70
Air Conditioners	4.47	-	-	4.47	2.38	0.23	-	-	2.61	2.09
Electrical Fittings	3.70	-	-	3.70	2.20	0.39	-	-	2.59	1.50
Office Equipment	1.01	-	-	1.01	0.36	-	-	-	0.36	0.65
Vehicles	30.41	-	-	30.41	20.31	4.06	-	-	24.37	10.10
Land	209.25	-	-	209.25	-	-	-	-	209.25	209.25
	281.79	-	-	281.79	47.15	5.24	-	-	52.39	229.38
										234.64

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value		
	As at 01.04.2020	Additions	Disposals	As at 31.03.2021	As at 01.04.2020	For the year	Impairment for the year	Disposals	As at 31.03.2021	As at 31.03.2020
Computer Software	26.25	-	-	26.25	13.43	4.47	-	-	17.90	12.82
Furniture & Fixtures	6.70	-	-	6.70	3.67	0.33	-	-	4.00	3.03
Air Conditioners	4.47	-	-	4.47	1.91	0.47	-	-	2.38	2.56
Electrical Fittings	3.70	-	-	3.70	1.81	0.39	-	-	2.20	1.89
Office Equipment	1.01	-	-	1.01	0.36	-	-	-	0.36	0.65
Vehicles	39.06	-	8.65	30.41	23.74	4.06	-	7.49	20.31	15.32
Land	209.25	-	-	209.25	-	-	-	-	209.25	209.25
	290.44	-	8.65	281.79	44.92	9.72	-	7.49	47.15	245.52

(₹.in Lakhs)

2.02: Intangible Assets

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value			
	As at 01.04.2021	Additions	Disposals	As at 31.03.2022	As at 01.04.2021	For the year	Impairment for the year	Disposals	As at 31.03.2022	As at 31.03.2021	
Computer Software	412.77	-	-	412.77	244.38	23.91	-	-	268.29	144.48	168.39
	412.77	-	-	412.77	244.38	23.91	-	-	268.29	144.48	168.39

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value			
	As at 01.04.2020	Additions	Disposals	As at 31.03.2021	As at 01.04.2020	For the year	Impairment for the year	Disposals	As at 31.03.2021	As at 31.03.2020	
Computer Software	412.77	-	-	412.77	216.92	27.46	-	-	244.38	168.39	195.85
	412.77	-	-	412.77	216.92	27.46	-	-	244.38	168.39	195.85

2.03 Investments

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Investment in equity instruments (fully paid-up)		
Unquoted		
Investment Subsidiary	4.55	4.41
	4.55	4.41
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

2.04 Other Financial Assets (Non Current)

Particulars	As at 31.03.2022	As at 31.03.2021
Deposits and Others		
Tender Deposits	21.90	21.72
Retention Money	92.75	66.25
	114.65	87.97

2.05 Loans

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured Considered good		
Other Loans and Advances	-	18.70
	-	18.70

2.06 Other Bank Balances - Non-Current

Particulars	As at 31.03.2022	As at 31.03.2021
Other Bank Balances		
Fixed Deposits with Bank	287.94	680.42
	287.94	680.42

2.07 Other Non-Current Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Un-Secured Considered Good		
Other Advances	5.56	13.87
Electricity Deposit	0.96	0.96
Telephone Deposit	0.20	0.20
Other Deposits	0.04	0.04
Prepaid Expenses	30.08	55.39
	36.84	70.46

2.08 Inventories

(₹ In lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(Valued at Lower of Cost or Net Realisable Value)		
Stock - In Trade	1,435.23	1,406.32
	1,435.23	1,406.32

2.09 Trade Receivables

Particulars	As at 31.03.2022	As at 31.03.2021
(Un-Secured Considered Good) "Outstanding for a period exceeding six months from the date they are due for payment"	400.47	453.07
Others *	1,371.33	983.04
	1,771.80	1,436.11
Breakup for Security Details		
Un-Secured Considered Good	1,771.80	1,436.11
Less: Impairment due to Expected credit loss	101.98	85.49
Closing Balance	1,669.82	1,350.62

Movement of Impairment in Trade receivables

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance	85.49	82.49
Add: Additional Allowance of Expected Credit Loss	16.49	3.00
Less: Additional Allowance of Expected Credit Gain	-	-
	101.98	85.49

* Trade Receivable include Income Accrued but bills not raised of Rs. 151.76 Lakh (Previous Year Rs. 130.01 Lakhs)

2.10 Cash & Cash Equivalent

Particulars	As at 31.03.2022	As at 31.03.2021
a) Cash & Cash Equivalents		
Cash on hand	10.59	3.81
Balance in banks		
- Balance in Current Account	5.64	0.13
b) Other Bank Balances (with restricted use)		
- Unclaimed Dividend Account	2.66	2.98
- Fixed Deposits with Bank (Lien against bank guarantee pl. refer note no. 2.40)	25.57	19.96
	44.46	26.88

2.11 Other Financial Assets (Current)

(₹ In lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest Accrued but not due on FD's	14.23	19.82
Loans and Advances to Employees	52.40	31.61
Rental Deposits	3.31	3.31
Retention Money	-	88.84
	69.94	143.58

2.12 Current Tax Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Current tax Assets -Net	123.42	130.97
	123.42	130.97

2.13 Other Current Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Prepaid Expenses	143.72	136.20
MAT Credit	5.08	3.32
Advance to Suppliers / Expenses	92.08	117.31
Other Advances	-	0.97
Balance with Govt. authorities	50.60	95.93
	291.48	353.73

2.14 Share Capital

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
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 5,25,40,000 Equity Shares @ Rs. 2/- Each, fully paid up	1,050.80	1,050.80
	1,050.80	1,050.80

Details of Share Holding more than 5% shares	2021-22		2020-21	
	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	29,97,210	5.70%	29,97,210	5.70%

Details of Share Holding of Promoters and Promoters Group:

Name of the Promoter	2021-22		2020-21	
	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	29,97,210	5.70%	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%

2.14.1 Reconciliation of Number of Shares:

Particulars	As at 31.03.2022	As at 31.03.2021
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 boughtback during the Year	-	-
Number of Shares at the end of the Year	5,25,40,000	5,25,40,000

2.14.2 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.

2.14.3 In the period of five years immediately preceding 31st March,2022 :

** The Company has sub-divided the nominal value of equity share Rs. 10/- to Rs. 2/- per share with effect from 03.11.2016 vide board resolution dated 20.10.2016. The said sub-division of equity share is approved by the members in Annual General Meeting dated 26.09.2016.

** Nirant Technologies Private Limited shareholding has been diluted from 5.12% to 4.76% as at 31.03.2017 being shares issued during the year on conversion of Warrants.

2.15 Other Equity

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Securities Premium		
Opening Balance	370.00	370.00
Add: Premium on Shares Issued during the Year	-	-
	370.00	370.00
Retained Earnings		
Opening Balance	517.38	501.78
Add: Net profit Transferred from the Statement of P&L A/c	9.86	15.60
	527.24	517.38
Less: Appropriations	-	-
Closing Balance	527.24	517.38
Total other Equity	897.24	887.38

2.16 Borrowings (Non-Current)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
Vehicle Loans from Banks #	-	0.18
Term Loan from banks #	179.28	-
Unsecured		
Loan from Financial Institutions #	27.16	-
	206.44	0.18

Security, Terms of Repayment, Rate of Interest etc are detailed in Note NO 2.18

2.17 Deferred Tax Liabilities

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance	28.36	26.71
Add: on Account of Timing Differences in Property, Plant & Equipment	(0.71)	1.65
Add: on Account of Others	-	-
	27.65	28.36

2.18 Borrowings (Current)

Particulars	As at 31.03.2022	As at 31.03.2021
Loans Repayable on Demand		
Working Capital Loans from Banks	404.41	970.20
Current maturities of Term Loans	48.05	-
Current maturities of Vehicle Loans	-	3.84
Unsecured		
Loans from Related Parties	75.37	178.45
Loan from Financial Institutions	2.81	34.96
	530.64	1,187.45

Secured Borrowings :

Cash Credit from State Bank of India:

Rate of Interest : 14.75%

Repayment: Repayable On Demand

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

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) Commercial Residential Plot No. 70, Survey No. 06, Situated at Izzat Nagar Village, Serilingampally Mandal, Ranga Reddy, Telangana - 500082 (Urban) admeasuring 450 Sq. yards in the Name of Vama Industries Limited
- 4) 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 installments of Rs 4,19,445/- each commencing from Nov'21, balance of installments being is 31 as on 31st March 2022.

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 installments of Rs 2,58,334/- each commencing from Jan'24.

Vehicle Loan from State Bank of India:

1. Secured by hypothecation of Vehicle purchased and repayable in 84 monthly installments of each Rs. 18,670/- commencing from March 2015, This loan is fully repaid in Feb'22 (rate of Interest: 9.70%)
2. Secured by hypothecation of Vehicle purchased and repayable in 84 monthly installments of each Rs. 16,634/- commencing from September 2015, This loan is fully repaid in Feb'22 (rate of Interest: 9.55%)

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

BG Limit of Rs 1700.00 Lakhs

BG Commission Rate : Performace 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	Nature of Relationship	(Rs. In Lakhs)	
		As at 31.03.2022	As at 31.03.2021
V. Atchyuta Rama Raju	Director	55.32	144.85
V. Parvathi	Director	20.05	33.60

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

India Infoline Finance Limited (Unsecured):

It is repayable in 36 monthly installments of Rs. 1,83,280/- each commencing from Jan'2018, The Loan amount fully repaid in May'2021 (Rate of Interest: 19.00%)

Bajaj Finance Limited (Unsecured)

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

Rate of Interest : 18.00%

Repayment : It is repayable in 84 monthly installments of Rs. 77,607/- each commencing from June'2022

Security : Unsecured

2.19 Trade Payables

Particulars	As at 31.03.2022	As at 31.03.2021
Due to Micro and Small Enterprises	-	
Due to Others for Goods & Service	1,465.58	1,166.55
	1,465.58	1,166.55

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

2.20 Other Financial Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Unpaid Dividned	2.66	2.98
Expenses Payable	115.48	159.30
	118.14	162.28

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

2.21 Short Tetm Provisions

Particulars	As at 31.03.2022	As at 31.03.2021
For Employee Benefits	17.49	-
Others	-	-
Provision for Income Tax	1.76	33.60
	19.25	33.60

2.22 Other Current Liabilities

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Other payables		
Statutory Liabilities	59.64	135.51
Other Payables	76.81	24.99
	136.45	160.50

2.23 Revenue from Operations

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Note: Revenue from Operations		
Sale of Products		
- Domestic	928.51	1,022.05
Sale of Services		
- Domestic	417.55	275.08
- Export	173.17	191.69
	1,519.23	1,488.82
Sale of Goods Under Broad Head		
Computers & Peripherals/ Software	928.51	1,022.05
	928.51	1,022.05
Services rendered Under Broad Head		
Annual Maintenance Contract Service	360.73	143.22
Consultancy Services	56.82	180.06
IT Engineering Services	173.17	143.49
	590.72	466.77

2.24 Other Income

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Interest on Fixed Deposits	32.40	41.22
Other Income	23.20	15.50
Forex Gain on Export / Import	-	1.74
	55.60	58.46

2.25 Cost of Material Consumed

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Purchase of Material	946.67	877.76
Transport/AMC/Labour Charges	147.21	86.69
	1,093.88	964.45

2.26 Changes in Inventories

(₹ In Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Inventories at the end of the year	1,435.23	1,406.32
Inventories at beginning of the year	1,406.32	1,312.95
Net Increase/ (Decrease)	(28.91)	(93.37)

2.27 Employee Benefit Expenses

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Salaries and Wages	158.82	283.80
Directors Remuneration	9.78	39.36
Contribution to PF and other Funds	24.49	9.88
Staff Welfare Expenses	0.10	0.57
	193.19	333.61

2.28 Finance Cost

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Interest Expense		
Interest	127.82	114.02
Interest on others	6.99	55.21
Other Borrowing Cost		
Loan Processing Charges	12.51	7.49
	147.32	176.72

2.29 Other Expenses

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Advertisement	1.21	1.77
Audit Fees	2.50	2.50
Allowances for Impairment of Receivables	16.49	3.00
Bank Charges	37.40	40.47
Business Promotion Exp	1.16	0.95
Communication Expenses	3.37	3.83
Conveyance	1.02	2.28
Power and Fuel	4.05	4.28
Fees & Taxes	3.92	4.72
Forex Fluctuations	12.77	-
Office & General Expenses	2.95	5.85
Insurance	4.18	5.95
Professional Expenses	14.72	8.83
Printing & Stationery	0.32	1.43
Postage & Telegram	0.07	0.52
Rent	21.24	21.76
Repairs & Maintenance	1.01	0.72
STPI Service Charges	0.55	0.55
Travelling Expenses	1.60	1.79
Vehicle Maintenance	0.52	0.25
	131.05	111.45

2.30 Auditors Remuneration

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
a) Audit Fees	2.00	2.00
b) Other Charges		
Taxation Matters	0.50	0.50
Certification Fees	0.30	0.24
c) Reimbursement of out of pocket expenses	-	-
Total	2.80	2.74

2.31 Earnings per Share

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Earnings		
Profit attributable to equity holders	9.86	15.60
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)	0.02	0.03
Earnings per share of par value Rs.2/- – Diluted (INR)	0.02	0.03

2.32 Related Parties

Wholly owned subsidiary : Vama Technologies Pte Ltd

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.Rajam Raju	Key Managerial Personnel
3	V.Parvathi	Key Managerial Personnel
4	Reliance Tea Private Limited	EDS*
5	Vama Technologies Pte. Ltd	Subsidiary
6	Gavireddy Siva	Chief Financial Officer
7	Gurpreet Singh Sial	Company Secretary
8	Bharath Kumar K	Company Secretary
9	M Vandana	Company Secretary

*** EDS : Entity over which the director is having significant influence**

Related Party Transactions: (₹ in lakhs)

S.No	Nature of Transaction	FY 2021-22				FY 2020-21					
		KMP	Relative of KMP	EDS	Subsidiary	Total	KMP	Relative of KMP	EDS	Subsidiary	Total
1	Directors Remuneration / Salary	25.33	-	-	-	25.33	52.18	-	-	-	52.18
2	Consultancy Service Income	-	-	-	-	-	-	-	-	48.20	48.20

Balance with Related Parties:

S.No	Nature of Transaction	FY 2021-22				FY 2020-21					
		KMP	Relative of KMP	EDS	Subsidiary	Total	KMP	Relative of KMP	EDS	Subsidiary	Total
1	Rent Deposit	-	-	-	-	-	-	6.12	-	-	6.12
2	Salary Advance	8.00	-	-	-	8.00	6.60	-	-	-	6.60
3	Unsecured Loan	75.37	-	-	-	75.37	178.45	-	-	-	178.45
4	Loans & Advances	-	-	-	76.81	76.81	-	-	-	-	-
5	Investments	-	-	-	4.55	4.55	-	-	4.41	-	4.41
6	Trade Receivables	-	-	-	-	-	-	-	8.41	-	8.41

Transactions with Related Parties during the year:

(₹ In Lakhs)

S. No.	Particulars	FY 2021-22	FY 2020-21
1	Directors Remuneration / Salary		
	V.A.Rama Raju	7.50	30.00
	V.Rajam Raju	-	8.03
	V.Parvathi	2.28	1.33
	Gavireddy Siva	11.04	9.20
	M Vandana	-	2.07
	Gurpreet Sing Sial	2.45	1.55
	Bharath Kumar K	2.06	-
2	Consultancy Service Income		
	Vama Technologies Pte Ltd	-	48.20
3	Rent Deposit		
	Reliance Tea Pvt Ltd	-	6.12
4	Salary Advance		
	G Siva	8.00	6.60
5	Unsecured Loan		
	V Atchyuta Rama Raju	55.32	144.85
	V Parvathi	20.05	33.60
6	Loans & Advances		
	Vama Technologies Pte Ltd	76.81	-
7	Investments		
	Vama Technologies Pte Ltd	4.55	4.41
8	Trade Receivables		
	Vama Technologies Pte Ltd	-	8.41

2.33 Earnings / Expenditure in Foreign Currency

Expenditure in Foreign Currency

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Import Purchase / AMC Charges	83.01	150.87
Bank Charges	0.40	0.99
Total	83.41	151.86

Earnings in Foreign Currency

Particulars	FY 2021-22	FY 2020-21
Engineering Services	156.50	135.42
Consultancy Services	16.67	56.27
Total	173.17	191.69

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.

2.35 Employee benefits

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. 6.75 Lakhs and Rs. 9.13 Lakhs to the provident fund plan during the years ended 31st March 2022 and 2021, respectively.

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 2021-22	FY 2020-21
Current taxes expense		
Domestic	1.76	3.32
Deferred taxes expense / (benefit)		
Domestic	(0.71)	1.65
Total income tax expense / (benefit) recognized in the statement of P & L	1.05	4.97

b. Income tax expense/ (benefit) recognized directly in equity

Income tax expense/ (benefit) recognized directly in equity consist of the following

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
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:

Particulars	FY 2021-22	FY 2020-21
Profit before income taxes	9.15	17.24
Enacted tax rate in India	26.00%	26.00%
Computed expected tax	2.38	4.48
Effect of:		
Expenses not deductible for Tax purposes	36.69	46.85
Expenses deductible for Tax purposes	(26.44)	(43.54)
Taxable at Special Rates	-	-
Income tax	1.76	3.32
Effective tax rate	19.23%	19.26%

The Company's average effective tax rate for the years ended March 31, 2022 and 2021 were 19.23% and 19.26%, respectively

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 2021-22	FY 2020-21
Deferred tax assets / (liabilities) :		
Property, plant and equipment	(27.65)	(28.36)
Others	-	-
Net deferred tax assets / (liabilities)	(27.65)	(28.36)

e. Movement in deferred tax assets and liabilities during the year ended 31st March 2021

Particulars	As at 01.04.2020	Recognized in statement of profit and loss	Recognized in EQUITY	As at 31.03.2021
Deferred tax assets/(liabilities)				
Property, plant and equipment	(26.71)	1.65	-	(28.36)
Others	-	-	-	-
Net deferred tax assets / (liabilities)	(26.71)	1.65	-	(28.36)

f. Movement in deferred tax assets and liabilities during the year ended 31st March 2022

(₹ In Lakhs)

Particulars	As at 01.04.2021	Recognized in statement of profit and loss	Recognized in EQUITY	As at 31.03.2022
Deferred tax assets/(liabilities)				
Property, plant and equipment	(28.36)	(0.71)	-	(27.65)
Others	-	-	-	-
Net Deferred tax assets / (liabilities)	(28.36)	(0.71)	-	(27.65)

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-22	Mar-21	Mar-22	Mar-21
Financial assets				
Cash and cash equivalents	44.46	26.88	44.46	26.88
Investments	4.55	4.41	4.55	4.41
Trade Receivables	1,771.80	1,436.11	1,771.80	1,436.11
Other financial assets	472.53	930.67	472.53	930.67
Total	2,293.34	2,398.07	2,293.34	2,398.07
Financial liabilities				
Borrowings	737.08	1,187.63	737.08	1,187.63
Trade payables	1,465.58	1,166.55	1,465.58	1,166.55
Other financial liabilities	118.14	162.28	118.14	162.28
Total	2,320.80	2,516.46	2,320.80	2,516.46

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 2.29)

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 analyze 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 counter party 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. 16.49 lakhs as at 31st March 2022 and Rs. 3.00 lakhs at 31st March 2021.

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 2022.

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31st March 2022 and 31st March 2021 are as follows:

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Balance at the beginning of the year	19.63	16.63
Impairment Loss / (Gain) of Trade receivables	16.49	3.00
Balance at the end of the year	36.12	19.63

b. 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 2022 and 2021, the Company has utilized working capital credit limits (fund based) from banks of Rs. 631.74 Lakhs and Rs 970.20 Lakhs respectively

As of 31 March 2022, the Company had working capital (current assets less current liabilities) of Rs. 1,364.29 Lakhs including cash and cash equivalents of Rs. 44.46 Lakhs. As of 31 March 2021, the Company had working capital of Rs. 701.72 Lakhs, including cash and cash equivalents of Rs. 26.88 Lakhs.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st Mar-22

(₹. In Lakhs)

Particulars	2022	2023	2024	Thereafter	Total
Trade payables	1,465.58	-	-	-	1,465.58
Long term borrowings #	-	107.40	39.71	110.19	257.30
Bank overdraft, short-term loans and borrowings*	479.78	-	-	-	479.78
Statutory Liabilities	59.64	-	-	-	59.64
Other liabilities*	118.14	-	-	-	118.14

* The Bank Overdraft and other liabilities are payable on demand.

Long term borrowings include current maturities of long term debt.

c. 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.

d. 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:

(₹. In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Total Debt	737.08	1,187.63
Total Equity	1,948.04	1,938.18
Debt Equity Ratio	0.38:1	0.61:1

2.40 Contingent Liabilities and Commitments:

(₹. In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts Income	-	-
b) Guarantees		
Bank Guarantees	1,399.25	1,588.36
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

2.41 Note on "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

2.42 Impact of COVID-19

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of

Covid-19 on the company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

2.43A Trade Payables ageing schedule as on 31.03.2022

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	1,101.57	113.32	250.69	1,465.58
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
Total	1,101.57	113.32	250.69	1,465.58

Trade Payables ageing schedule as on 31.03.2021

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	826.72	96.13	243.70	1,166.55
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
Total	826.72	96.13	243.70	1,166.55

2.43B Trade Receivables ageing schedule as on 31.03.2022

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	1,371.33	-	37.08	10.19	353.20	1,771.80	
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-	
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	
Total	1,371.33	-	37.08	10.19	353.20	1,771.80	

Trade Receivables ageing schedule as on 31.03.2021

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	983.04	21.36	10.51	21.53	399.67	1,436.11	
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-	
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	
Total	983.04	21.36	10.51	21.53	399.67	1,436.11	

2.43C Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period
Current Ratio	Current Assets	Current Liabilities	1.60	1.26
Debt Equity	Total Debt	SH Equity	0.38	0.61
DSCR	Earnings for Debt Service	Debt Service	0.48	1.13
Return on Equity	PAT	Average SH Equity	0.01	0.01
Inventory Turnover Ratio	Total Sales	Average Inventory	1.07	1.10
Trade Receivables Turn Over	Total Sales	Average Accounts Receivable	1.01	1.24
Trade Payables Turn Over	Total Purchases	Average Trades Payable	0.83	0.96
Net Capital Turn Over	Total Sales	Avg Working Capital	1.47	0.93
Net Profit Ratio	Net Profit	Net Sales	0.60%	1.16%
Return on Capital Employed	EBIT	Capital Employed	5.05%	4.16%
Return on Investment	Net Profit	Opening SH Equity	0.47%	0.90%

* 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 - 2:

1. Above ratios are not annualized

2. Average balances are arrived based on accounting period beginning and ending balances

2.43D Assets Pledged as Security :

The carrying amounts of assets pledged as security for current and non-current borrowings are :

Particulars	As at 31.03.2022	As at 31.03.2021
Non Current Assets :		
Land	209.25	209.25
Current Assets :		
Inventories	1,435.23	1,406.32
Trade Receivables	1,771.80	1,436.11
	3,416.28	3,051.68

2.43E 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

2.43F 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.

- 2.43G Relationship with struck off companies**
The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013
- 2.43H Registration of charges or satisfaction with Registrar of Companies (ROC)**
There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period
- 2.43I 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 Act, 1961, that has not been recorded previously in the books of account.
- 2.43J Title Deeds of Immovable Properties**
The title deeds of all the immovable properties, as disclosed in Note 2.01 to the financial statements, are held in the name of the company
- 2.43K 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.
- 2.43L 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.
- 2.43M 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.
- 2.43N Wilful Defaulter**
The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- 2.43O 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.
- 2.43P 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
- 2.43Q 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.
- 2.43R 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.

TO THE MEMBERS OF VAMA INDUSTRIES LIMITED**I. Report on the Audit of the Financial Statements:****Opinion**

We have audited the accompanying Consolidated Financial Statements of M/s Vama Industries Limited ("the Holding Company") and its wholly owned subsidiary M/s Vama Technologies Pte Ltd., Singapore, ("the Subsidiary") which comprise the Consolidated Balance Sheet as at 31st March, 2022, 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 a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 2.42 of the consolidated financial statements, which is fully described the extent to which the COVID-19 Pandemic will impact the Company's results which depend on future developments that are highly uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	The Key Audit Matters	Auditor's Response
	<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 Point No 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.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by other auditors, to the extent relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Responsibility of Management for Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated 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 Holding Company and the subsidiary 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the parent, as aforesaid.

In preparing the Consolidated Financial Statements, respective management of the Holding Company and the subsidiary 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 or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding Company and the subsidiary are also responsible for overseeing the Company's financial reporting process of the Group.

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

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

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

- i. 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.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to 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 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 Company to cease to continue as a going concern.

- v. 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.
- vi. 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 or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the parent 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.

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

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

Other Matters

We did not audit the financial information of wholly owned subsidiary M/s Vama Technologies Pte Ltd., Singapore, ("the Subsidiary") whose financial statements reflect total assets of Rs. 313.77 Lakhs as at 31st March, 2022, total revenues of Rs. 114.95 Lakhs and total net profit/ (loss) after tax amounting to (Rs. 4.71) Lakhs, total comprehensive income / (loss) of (Rs. 4.71 Lakhs) for the year ended on that date as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respective of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. Our opinion on the consolidated financial statements above 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 auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit 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 of aforesaid consolidated financial statements.
- 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account
- d. In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- e. On the basis of the written representations received from the Holding Company's directors as on 31st March, 2022 taken on record by the Board of Directors, none of the Holding Company's directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's report of the Parent. Our report expresses an unmodified opinion on the adequacy and operation effectiveness of internal financial controls over financial reporting of the Parent.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the holding company to its directors during the year is in accordance with the provisions of the section 197 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 Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Holding Company and the subsidiary do not have any pending litigations which would impact its financial position.
- ii. The Holding Company and the subsidiary did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There have been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. 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 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 (Refer Note 2.43Q to the standalone financial statements);

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 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 (Refer Note 2.43Q to the standalone financial statements); and

Based on such audit procedures that we considered reasonable and appropriate in the circumstances performed by us for holding company, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

For V N S & ASSOCIATES
Chartered Accountants

Sd/-

V N S SRINIVASARAO

Proprietor

M. No. 225281

Firm Regn No. 018367S

UDIN : 22225281AJVEPT2140

Place: Hyderabad

Date: 28.05.2022

Annexure - A to the Independent Auditors' Report :
(Referred to in paragraph (f) 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")

We have audited the internal financial controls over financial reporting of M/s Vama Industries Limited ("the Holding Company") as of 31st March, 2022 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding 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.

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 Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding 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 31st March, 2022, 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.

Other Matters

The Holding Company's internal control system for recovery of dues from the customers the credit period, periodical confirmations and reconciliation of customer accounts needs to be strengthened further.

For V N S S & ASSOCIATES
Chartered Accountants

Sd/-

V N S SRINIVASARAO

Proprietor

M. No. 225281

Firm Regn. No. 018367S

Place: Hyderabad

Date: 28.05.2022

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022


(₹ In lakhs)

Particulars	Note No	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-Current Assets			
Property Plant and Equipment	2.01	229.38	234.65
Intangible Assets	2.02	144.48	168.39
Financial Assets			
Investments	2.03	-	-
Other Financial Assets	2.04	186.12	309.62
Loans	2.05	-	18.70
Other Bank Balances	2.06	287.94	680.42
Other Non-Current Assets	2.07	36.84	70.46
		884.76	1,482.24
Current Assets			
Inventories	2.08	1,435.23	1,406.32
Financial Assets			
Trade Receivables	2.09	1,719.67	1,362.31
Cash and Cash equivalent	2.10	52.80	38.76
Other Financial Assets	2.11	177.24	143.58
Current Tax Assets	2.12	123.42	130.97
Other Current Assets	2.13	291.48	394.62
		3,799.84	3,476.56
Total Assets		4,684.60	4,958.80
Equity and Liabilities			
Equity			
Equity Share capital	2.14	1,050.80	1,050.80
Other Equity	2.15	1,094.35	1,090.11
		2,145.15	2,140.91
Liabilities			
Non-Current Liabilities			
Financial Liabilities - Non-Current			
Borrowings	2.16	206.44	0.18
Deffered Tax Liabilities (Net)	2.17	27.65	28.36
		234.09	28.54
Current Liabilities			
Financial Liabilities			
Borrowings	2.18	530.64	1,187.45
Trade Payables	2.19	1,571.33	1,233.43
Other Financial Liabilities	2.20	124.50	167.83
Provisions	2.21	19.25	40.13
Other Current Liabilities	2.22	59.64	160.51
		2,305.36	2,789.35
Total Liabilities		4,684.60	4,958.80

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

As per our report of even date

For VNSS & Associates

Chartered Accountants

Sd/-

V N S SRINIVASARAO

Proprietor

M.No. 225281

Firm Regn No. 018367S

UDIN: 22225281AJVEPT2140

Place: Hyderabad

Date: 28.05.2022

for and on behalf of the Board of Directors

Sd/-

V. Atchyuta Rama Raju

Chairman & Managing Director

DIN : 00997493

Sd/-

G. Siva

Chief Financial Officer

Sd/-

V. Parvathi

Executive Director

DIN : 01240583

Sd/-

K. Bharath Kumar

Company Secretary

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st March, 2022


(₹ In lakhs)

Particulars	Note No	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Income			
Revenue from Operations	2.23	1,634.18	2,606.97
Other Income	2.24	55.60	58.46
Total Revenue		1,689.78	2,665.43
Expenses			
Cost of Material Consumed	2.25	1,207.32	1,862.32
Changes in Inventories	2.26	(28.91)	(93.37)
Employee Benefit Expenses	2.27	193.19	333.61
Finance Cost	2.28	147.32	176.72
Depreciation and Amortisation Expenses	2.01	29.15	37.18
Other Expenses	2.29	137.27	132.89
Total Expenses		1,685.34	2,449.35
Profit Before Tax		4.44	216.08
Tax Expenses			
i) Current Tax		1.76	9.85
Less : MAT Credit		(1.76)	(3.32)
ii) Deferred tax		(0.71)	0.60
Profit for the Year		5.15	208.95
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss		-	-
Tax on items that will not be reclassified to profit & Loss		-	-
Items that will be reclassified to Profit or Loss			
Tax on items that may be reclassified to Profit or Loss			
Items that may reclassified subsequently to Profit or Loss			
Total Other Comprehensive Income/Loss for the year net of Taxes			
Total Comprehensive Income for the Year		5.15	208.95
Earning per Share			
Basic Earning Per share @ Rs. 2/- Each		0.01	0.40
Diluted Earning Per share @ Rs. 2/- Each		0.01	0.40

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

As per our report of even date
 For VNSS & Associates
 Chartered Accountants
 Sd/-
V N S SRINIVASARAO
 Proprietor
 M.No. 225281
 Firm Regn No. 018367S
 UDIN: 22225281AJVEPT2140
 Place: Hyderabad
 Date: 28.05.2022

for and on behalf of the Board of Directors
 Sd/-
V. Atchyuta Rama Raju
 Chairman & Managing Director
 DIN : 00997493
 Sd/-
G. Siva
 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, 2022


(₹ In lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
A. Cash flow from Operating activities		
Net Profit before tax as per Profit and loss account	4.44	216.08
Adjustments		
Depreciation and Amortisation Expense	29.15	37.18
Dividend and Interest Income	(55.60)	(57.16)
Finance Cost	147.32	221.95
(Profit) / Loss on sale of Fixed Asset	-	(1.30)
Provision for doubtful debts, advances, impairment / (Expected Gain on Recievables)	-	-
Fair value adj for Investments	-	-
Operating profit before working capital changes	125.31	416.75
Movements in Working Capital		
(Increase)/Decrease in Trade and Other Receivables	(357.36)	(241.88)
(Increase)/Decrease in Inventories	(28.91)	(93.37)
Changes in Other Financial Assets	(33.66)	0.30
Changes in Other Current Assets	104.20	(135.02)
Increase/(Decrease) in Trade Payables	337.90	187.01
Increase/(Decrease) in Other Financial Liabilities	(43.33)	14.45
Increase/(Decrease) in Other Current Liab.	(121.75)	(5.48)
Cash generated from Operations	(17.60)	142.76
Direct Taxes paid	-	-
Net Cash from Operating activities	(17.60)	142.76
B. Cash flow from Investing Activities		
(Purchase) / Sale of Fixed Assets (Net)	-	2.46
Intangible assets under development	-	-
(Purchase) / Sale of Investments (Net)	-	-
Change in Other Financial Assets (Non current)	515.98	(79.37)
Changes in Long Term Loans & Advances	18.70	(13.45)
Changes in Other Non Current Assets	33.62	47.48
(Increase)/Decrease in Other Long Term Liab. / Long Term Prov.	-	-
Dividend and Interest Income received	55.60	57.16
Net Cash from Investment Activities	623.90	14.28
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital/ Share Application Money	-	-
Proceeds / (Repayment) from Long Term Borrowings	206.26	(3.32)
Proceeds / (Repayment) from Short Term Borrowings	(656.81)	66.45
Finance Cost	(147.32)	(221.95)
Dividend Paid	-	-
Dividend Tax Paid	-	-
Net cash used in financing activities	(597.87)	(158.82)
Net (Decrease) / Increase in cash and cash equivalents	8.43	(1.78)
Cash and cash equivalents at the beginning of the year	18.80	20.58
Cash and Cash equivalents at the end of the year	27.23	18.80

- 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)
- The accompanying notes are an integral part of the financial statements
- We have taken into consideration Cash and Cash equivalents instead of effective Cash and Cash equivalents.

As per our report of even date
For VNSS & Associates
Chartered Accountants
Sd/-
V N S SRINIVASARAO
Proprietor
M.No. 225281
Firm Regn No. 018367S
UDIN: 22225281AJVEPT2140
Place: Hyderabad
Date: 28.05.2022
for and on behalf of the Board of Directors
Sd/-
V. Atchyuta Rama Raju
Chairman & Managing Director
DIN : 00997493
Sd/-
G. Siva
Chief Financial Officer
Sd/-
V. Parvathi
Executive Director
DIN : 01240583
Sd/-
K. Bharath Kumar
Company Secretary

Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2022 (₹ In lakhs)

Equity share capital	Opening balance as at 1 Apr 2021	Changes in equity share capital during the year	Closing balance as at 31 Mar 2022
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 1 Apr 2020	Changes in equity share capital during the year	Closing balance as at 31 Mar 2021
52,540,000 Equity Shares @ Rs. 2/- Each, fully paid up	1,050.80	-	1,050.80
	1,050.80	-	1,050.80

Statement of Changes in Equity for the year ended 31.03.2022

(₹ In lakhs)

Particulars	Retained Earnings	Securities Premium	Total Equity
Balance as at 01/04/2021	720.11	370.00	1,090.11
Profit for the Year	5.15	-	5.15
Less: Short Provision of for the Year 20-21	(0.91)	-	(0.91)
Dividend paid	-	-	-
Corporate Dividend Tax	-	-	-
Amount Transfer to General Reserve	-	-	-
Net Change in Fair Value of FVTPL investments and others	-	-	-
Actuarial gain / (loss) on post employment benefit obligations, net of tax benefit	-	-	-
Balance as at 31/03/2022	724.35	370.00	1,094.35

Particulars	Retained Earnings	Securities Premium	Total Equity
Balance as at 01/04/2020	511.16	370.00	881.16
Profit for the Year	208.95	-	208.95
Dividend paid	-	-	-
Corporate Dividend Tax	-	-	-
Amount Transfer to General Reserve	-	-	-
Net Change in Fair Value of FVTPL investments and others	-	-	-
Actuarial gain / (loss) on post employment benefit obligations, net of tax benefit	-	-	-
Balance as at 31/03/2021	720.11	370.00	1,090.11

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 Panjagutta, 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 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., 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 Company. 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 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.

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 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:

- o The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- o 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:

- o The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- o 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 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 is 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.

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 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 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 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.

2.01: Property, plant and equipment (₹.in Lakhs)

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value		
	As at 01.04.2021	Additions	Disposals	As at 31.03.2022	For the year	Impairment for the year	Disposals	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Computer Software	26.25	-	-	26.25	0.24	-	-	18.14	8.11	8.35
Furniture & Fixtures	6.70	-	-	6.70	0.32	-	-	4.32	2.38	2.70
Air Conditioners	4.47	-	-	4.47	0.23	-	-	2.61	1.86	2.09
Electrical Fittings	3.70	-	-	3.70	0.39	-	-	2.59	1.11	1.50
Office Equipment	1.01	-	-	1.01	-	-	-	0.36	0.65	0.65
Vehicles	30.41	-	-	30.41	4.06	-	-	24.37	6.02	10.10
Land	209.25	-	-	209.25	-	-	-	-	209.25	209.25
	281.79	-	-	281.79	5.24	-	-	52.39	229.38	234.64

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value		
	As at 01.04.2020	Additions	Disposals	As at 31.03.2021	For the year	Impairment for the year	Disposals	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Computer Software	26.25	-	-	26.25	4.47	-	-	17.90	8.35	12.82
Furniture & Fixtures	6.70	-	-	6.70	0.33	-	-	4.00	2.70	3.03
Air Conditioners	4.47	-	-	4.47	0.47	-	-	2.38	2.09	2.56
Electrical Fittings	3.70	-	-	3.70	0.39	-	-	2.20	1.51	1.89
Office Equipment	1.01	-	-	1.01	-	-	-	0.36	0.65	0.65
Vehicles	39.06	-	8.65	30.41	4.06	-	7.49	20.31	10.10	15.32
Land	209.25	-	-	209.25	-	-	-	-	209.25	209.25
	290.44	-	8.65	281.79	9.72	-	7.49	47.15	234.65	245.52

2.02: Other Intangible Assets

(₹.in Lakhs)

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value			
	As at 01.04.2021	Additions	Disposals	As at 31.03.2022	As at 01.04.2021	For the year	Impairment for the year	Disposals	As at 31.03.2022	As at 31.03.2021	
Computer Software	412.77	-	-	412.77	244.38	23.91	-	-	268.29	144.48	168.39
	412.77	-	-	412.77	244.38	23.91	-	-	268.29	144.48	168.39

Particulars	Gross carrying value			Accumulated depreciation / impairment				Net carrying value			
	As at 01.04.2020	Additions	Disposals	As at 31.03.2021	As at 01.04.2020	For the year	Impairment for the year	Disposals	As at 31.03.2021	As at 31.03.2020	
Computer Software	412.77	-	-	412.77	216.92	27.46	-	-	244.38	168.39	195.85
	412.77	-	-	412.77	216.92	27.46	-	-	244.38	168.39	195.85

2.03 Investments

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Investment in equity instruments (fully paid-up)		
Unquoted Investment Subsidiary	-	-
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

2.04 Other Financial Assets (Non Current)

Particulars	As at 31.03.2022	As at 31.03.2021
Deposits and Others		
Tender Deposits	21.90	21.72
Retention Money	164.22	287.90
	186.12	309.62

2.05 Loans

Particulars	As at 31.03.2022	As at 31.03.2021
Un-Seured considered good		
Other Loans and Advances	-	18.70
	-	18.70

2.06 Other Bank Balances -Non Current

Particulars	As at 31.03.2022	As at 31.03.2021
Other Bank Balances		
Fixed Deposits with Bank	287.94	680.42
	287.94	680.42

2.07 Other Non-Current Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Un-Secured Considered Good		
Other Advances	5.56	13.87
Electricity Deposit	0.96	0.96
Telephone Deposit	0.20	0.20
Other Deposits	0.04	0.04
Prepaid Expenses	30.08	55.39
Deposit with Statutory Authorities		
	36.84	70.46

2.08 Inventories

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(Valued at Lower of Cost or Net Realisable Value)		
Stock - In Trade	1,435.23	1,406.32
	1,435.23	1,406.32

2.09 Trade Receivables

Particulars	As at 31.03.2022	As at 31.03.2021
(Un-Secured Considered Good)		
“Outstanding for a period exceeding six months from the date they are due for payment”	400.47	453.07
Others *	1,421.18	994.73
	1,821.65	1,447.80
Breakup for Security Details		
Un-Secured Considered Good	1,821.65	1,447.80
Less: Impairment due to Expected credit loss	101.98	85.49
Closing Balance	1,719.67	1,362.31

Movement of Impairment in Trade receivables

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance	85.49	82.49
Add: Additional Allowance of Expected Credit Loss	16.49	3.00
Less: Additional Allowance of Expected Credit Gain	-	-
	101.98	85.49

* Trade Receivable include Income Accrued but bills not raised of Rs. 151.76 Lakhs
(Previous Year Rs. 130.01 Lakhs)

2.10 Cash & Cash Equivalent

Particulars	As at 31.03.2022	As at 31.03.2021
a) Cash & Cash Equivalents		
Cash on hand	10.59	3.81
Balance in banks		
- Balance in Current Account	13.98	12.01
	-	
b) Other Bank Balances (with restricted use)		
- Unclaimed Dividend Account	2.66	2.98
- Fixed Deposits with Bank (Lien against bank guarantee pl. refer note no. 2.40)	25.57	19.96
	52.80	38.76

2.11 Other Financial Assets (Current)

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest Accrued but not due on FD's	14.23	19.82
Loans and Advances to Employees	52.40	31.61
Rental Deposits	3.31	3.31
Security Deposit	3.32	-
Retention Money	103.98	88.84
	177.24	143.58

2.12 Current Tax Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Current tax Assets		
Current tax Assets -Net	123.42	130.97
	123.42	130.97

2.13 Other Current Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Prepaid Expenses	143.72	177.09
MAT Credit	5.08	3.32
Advance to Suppliers / Expenses	92.08	117.31
Other Advances	-	0.97
Balance with Govt. Authorities	50.60	95.93
	291.48	394.62

2.14 Share Capital

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
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 5,25,40,000 Equity Shares @ Rs. 2/- Each, fully paid up*	1,050.80	1,050.80
	1,050.80	1,050.80

Details of Share Holding more than 5% shares	2021-22		2020-21	
	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	29,97,210	5.70%	29,97,210	5.70%

Details of Share Holding of Promoters and Promoters Group:

Name of the Promoter	2021-22		2020-21	
	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	29,97,210	5.70%	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%

2.14.1 Reconciliation of Number of Shares:

Particulars	As at 31.03.2022	As at 31.03.2021
Number of Shares at the beginning of the Year	5,25,40,000	5,25,40,000
Add: Shares issued during the Year	-	-
Number of Shares at the end of the Year	5,25,40,000	5,25,40,000

2.14.2 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.

2.14.3 In the period of five years immediately preceding 31st March,2022 :

** The Company has sub-divided the nominal value of equity share Rs. 10/- to Rs. 2/- per share with effect from 03.11.2016 vide board resolution dated 20.10.2016. The said sub-division of equity share is approved by the members in Annual General Meeting dated 26.09.2016.

** Nirant Technologies Private Limited shareholding has been diluted from 5.12% to 4.76% as at 31.03.2017 being shares issued during the year on conversion of Warrants.

2.15 Other Equity

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Securities Premium		
Opening Balance	370.00	370.00
Add: Premium on Shares Issued during the Year	-	-
Total	370.00	370.00
Retained Earnings		
Opening Balance	720.11	511.16
Less: Short Provision for the Year 20-21	(0.91)	-
Add: Net profit Transferred from the Statement of P&L A/c	5.15	208.95
	724.35	720.11
Less: Appropriations	-	-
Closing Balance	724.35	720.11
Total Equity	1,094.35	1,090.11

2.16 Term Borrowings (Non-Current)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
Vehicle Loans from Banks #	-	0.18
Term Loan from banks #	179.28	-
Unsecured		
Loan from Financial Institutions #	27.16	-
	206.44	0.18

Security, Terms of Repayment, Rate of Interest etc are detailed in Note No 2.18

2.17 Deferred Tax Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance	28.36	27.76
Add: on Account of Timing Differences in Property, Plant & Equipment	(0.71)	0.60
Add: on Account of Others	-	-
	27.65	28.36

2.18 Borrowings (Current)

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Loans Repayable on Demand		
Working Capital Loans from Banks	404.41	970.20
Current Maturities of Term Loans	48.05	
Current Maturities of Vehicle Loans	-	3.84
Unsecured		
Loans from Related Parties	75.37	178.45
Loan from Financial Institutions	2.81	34.96
	530.64	1,187.45

Secured Borrowings :

Cash Credit from State Bank of India:

Rate of Interest : 14.75%

Repayment: Repayable On Demand

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

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) Commercial Residential Plot No. 70, Survey No. 06, Situated at Izzat Nagar Village, Serilingampally Mandal, Ranga Reddy, Telangana - 500082 (Urban) admeasuring 450 Sq. yards in the Name of Vama Industries Limited
- 4) 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 month moratorium from the date of disbursement. It is repayable in 36 equated monthly installments of Rs 4,19,445/- each commencing from Nov'21, balance of installments being is 31 as on 31st March 2022.

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 installments of Rs 2,58,334/- each commencing from Jan'24.

Vehicle Loan from State Bank of India:

1. Secured by hypothecation of Vehicle purchased and repayable in 84 monthly installments of each Rs. 18,670/- commencing from March 2015, This loan is fully repaid in Feb'22 (rate of Interest: 9.70%)
2. Secured by hypothecation of Vehicle purchased and repayable in 84 monthly installments of each Rs. 16,634/- commencing from September 2015, This loan is fully repaid in Feb'22 (rate of Interest: 9.55%)

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

BG Limit of Rs 1700.00 Lakhs

BG Commission Rate : Performace 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	Nature of Relationship	(Rs. In Lakhs)	
		As at 31.03.2022	As at 31.03.2021
V. Atchyuta Rama Raju	Director	55.32	144.85
V. Parvathi	Director	20.05	33.60

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

India Infoline Finance Limited (Unsecured):

It is repayable in 36 monthly installments of Rs. 1,83,280/- each commencing from January 2018, The Loan amount fully repaid in May-2021 (Rate of Interest: 19.00%)

Bajaj Finance Limited (Unsecured)

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

Rate of Interest : 18.00%

Repayment : Repayable on Demand, It is repayable in 60 monthly installments of Rs. 77,607/- each commencing from October 2022.

Security : Unsecured

2.19 Trade Payables

Particulars	As at 31.03.2022	As at 31.03.2021
Due to Micro and Small Enterprises	-	
Due to Others for Goods & Service	1,571.33	1,233.43
	1,571.33	1,233.43

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

2.20 Other Financial Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
# Unpaid Dividned	2.66	2.98
Expenses Payable	121.84	164.85
	124.50	167.83

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

2.21 Short Term Provisions

Particulars	As at 31.03.2022	As at 31.03.2021
For Employee Benefits	17.49	-
Others #	-	-
Provision for Income Tax	1.76	40.13
	19.25	40.13

2.22 Other Current Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Other Payables		
Statutory Liabilities	59.64	135.51
Other Payables	-	25.00
	59.64	160.51

2.23 Revenue from Operations

(₹ In Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Sale of Products		
- Domestic	928.51	1,022.05
- Export	-	1,062.27
Sale of Services		
- Domestic	417.55	275.08
- Export	288.12	247.57
	1,634.18	2,606.97
Sale of Goods Under Broad Head		
Computers & Peripherals/ Software	928.51	2,084.32
	928.51	2,084.32
Services rendered Under Broad Head		
Annual Maintenance Contract Service	475.68	247.30
Consultancy Services	56.82	131.85
IT Engineering Services	173.17	143.49
	705.67	522.64

2.24 Other Income

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Interest on Fixed Deposits	32.40	41.22
Other Income	23.20	15.50
Forex Gain on Export / Import	-	1.74
	55.60	58.46

2.25 Cost of Material Consumed

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Purchase of Material	946.67	1,615.76
Transport/ AMC/Labour Charges	260.65	246.56
	1,207.32	1,862.32

2.26 Changes in Inventories

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Inventories at the end of the year	1,435.23	1,406.32
Inventories at beginning of the year	1,406.32	1,312.95
Net Increase/ (Decrease)	(28.91)	(93.37)

2.27 Employee Benefit Expenses

(₹ In Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Salaries and Wages	158.82	283.80
Directors Remuneration	9.78	39.36
Contribution to PF and other Funds	24.49	9.88
Staff Welfare Expenses	0.10	0.57
	193.19	333.61

2.28 Finance Cost

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Interest Expenses		
Interest	127.82	114.02
Interest on others	6.99	55.21
Other Borrowing Cost		
Loan Processing Charges	12.51	7.49
	147.32	176.72

2.29 Other Expenses

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
AAdvertisement	1.21	1.77
Audit Fees	8.66	8.95
Allowances for Impairment of Receivables	16.49	3.00
Bank Charges	38.51	45.23
Business Promotion Exp	1.16	0.95
Communication Expenses	3.37	3.83
Conveyance	1.02	2.28
Power and Fuel	4.05	4.28
Fees & Taxes	3.92	4.72
Forex Fluctuations	6.04	3.22
Office & General Expenses	2.95	5.85
Insurance	4.18	6.50
Professional Expenses	20.40	15.29
Printing & Stationery	0.32	1.43
Postage & Telegram	0.07	0.52
Rent	21.24	21.76
Repairs & Maintenance	1.01	0.72
STPI Service Charges	0.55	0.55
Travelling Expenses	1.60	1.79
Vehicle Maintenance	0.52	0.25
	137.27	132.89

2.30 Auditors Remuneration

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
a) Audit Fees	8.16	8.45
b) Other Charges		
Taxation Matters	0.50	0.50
Certification Fees	0.30	0.24
c) Reimbursement of out of pocket expenses	-	-
Total	8.96	9.19

2.31 Earnings per Share

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Earnings		
Profit attributable to equity holders	9.86	15.60 6
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)	0.03	(0.19)
Earnings per share of par value Rs.2/- – Diluted (INR)	0.03	(0.19)

2.32 Related Parties

Wholly owned Subsidiary : Vama Technologies Pte Ltd

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 party of the Company is as below:

S. No.	Name of the Related Party	Nature of Relation Ship
1	V.A. Rama Raju	Key Managerial Personnel
2	V.Rajam Raju	Key Managerial Personnel
3	V.Parvathi	Key Managerial Personnel
4	Reliance Tea Private Limited	EDS*
5	Vama Technologies Pte. Ltd	Subsidiary
6	Gavireddy Siva	Chief Financial Officer
7	Gurpreet Singh Sial	Company Secretary
8	Bharath Kumar K	Company Secretary
9	M Vandana	Company Secretary
* EDS : Entity over which the director is having significant influence		

Significant Related Party Transactions: (₹ in lakhs)

S.No	Nature of Transaction	FY 2021-22				FY 2020-21			
		KMP	Relative of KMP	EDS	Total	KMP	Relative of KMP	EDS	Total
1	Directors Remuneration / Salary	25.33	-	-	25.33	52.18	-	-	52.18
2	Consultancy Service Income	-	-	-	-	-	-	48.20	48.20

Balance with Related Parties:

S.No	Nature of Transaction	FY 2021-22				2020-21			
		KMP	Relative of KMP	EDS	Total	KMP	Relative of KMP	EDS	Total
1	Rent Deposit	-	-	-	-	-	-	6.12	6.12
2	Salary Advance	8.00	-	-	8.00	6.60	-	-	6.60
3	Unsecured Loan	75.37	-	-	75.37	178.45	-	-	178.45
4	Loans & Advances	-	-	-	76.81	-	-	-	-
5	Investments	-	-	-	4.55	-	-	4.41	4.41
6	Trade Receivables	-	-	-	-	-	-	8.41	8.41

The following is a summary of significant related party transactions:

(₹ In Lakhs)

S. No.	Particulars	FY 2021-22	FY 2020-21
1	Directors Remuneration / Salary		
	V.A.Rama Raju	7.50	30.00
	V.Rajam Raju	-	8.03
	V.Parvathi	2.28	1.33
	Gavireddy Siva	11.04	9.20
	M Vandana	-	2.07
	Gurpreet Sing Sial	2.45	1.55
	K Bharath Kumar	2.06	-
2	Consultancy Service Income		
	Vama Technologies Pte Ltd	-	48.20
3	Rent Deposit		
	Reliance Tea Pvt Ltd	-	6.12
4	Salary Advance		
	G Siva	8.00	6.60
5	Unsecured Loan		
	V Atchyuta Rama Raju	55.32	144.85
	V Parvathi	20.05	33.60
6	Loans & Advances		
	Vama Technologies Pte Ltd	76.81	-
7	Investments		
	Vama Technologies Pte Ltd	4.55	4.41
8	Trade Receivables		
	Vama Technologies Pte Ltd	-	8.41

2.33 Earnings / Expenditure in Foreign Currency

Expenditure in Foreign Currency

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Import Purchase / AMC Charges	83.01	150.87
Bank Charges	0.40	0.99
Total	83.41	151.86

Earnings in Foreign Currency

Particulars	FY 2021-22	FY 2020-21
Engineering Services	156.50	135.42
Consultancy Services	16.67	56.2
Total	173.17	191.69

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.

2.35 Employee benefits

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. 6.75 Lakhs and Rs. 9.13 Lakhs to the provident fund plan during the years ended 31st March 2022 and 2021, respectively.

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 (₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Current taxes expense		
Domestic	-	6.53
Deferred taxes expense / (benefit)		
Domestic	(0.71)	0.60
Total income tax expense / (benefit) recognized in the statement of P & L	(0.71)	7.13

b. Income tax expense/ (benefit) recognized directly in equity

Income tax expense/ (benefit) recognized directly in equity consist of the following

(₹ In Lakhs)

Particulars	FY 2021-22	FY 2020-21
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:

Particulars	FY 2021-22	FY 2020-21
Profit before income taxes	4.44	216.08
Enacted tax rate in India	26.00%	26.00%
Computed expected tax	1.15	56.18
Effect of:		
Expenses not deductible for Tax purposes	36.69	46.85
Expenses deductible for Tax purposes	(26.44)	(43.54)
Taxable at Special Rates	-	-
Income tax	1.76	9.85
Effective tax rate	39.64%	4.56%

The Company's average effective tax rate for the years ended March 31, 2022 and 2021 were 39.64% and 4.56%, respectively

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 2021-22	FY 2020-21
Deferred tax assets / (liabilities) :		
Property, plant and equipment	(27.65)	(28.36)
Others	-	-
Net deferred tax assets / (liabilities)	(27.65)	(28.36)

e. Movement in deferred tax assets and liabilities during the year ended 31st March 2021

(₹ In Lakhs)

Particulars	As at 01.04.2020	Recognized in statement of profit and loss	Recognized in EQUITY	As at 31.03.2021
Deferred tax assets/(liabilities)				
Property, plant and equipment	(26.71)	1.65	-	(28.36)
Others	-	-	-	-
Net deferred tax assets / (liabilities)	(26.71)	1.65	-	(28.36)

f. Movement in deferred tax assets and liabilities during the year ended 31st March 2022

Particulars	As at 01.04.2021	Recognized in statement of profit and loss	Recognized in EQUITY	As at 31.03.2022
Deferred tax assets/(liabilities)				
Property, plant and equipment	(28.36)	(0.71)	-	(27.65)
Others	-	-	-	-
Net Deferred tax assets / (liabilities)	(28.36)	(0.71)	-	(27.65)

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-22	Mar-21	Mar-22	Mar-21
Financial assets				
Cash and cash equivalents	52.80	38.76	52.80	38.76
Investments	-	-	-	-
Trade Receivables	1,719.67	1,362.31	1,719.67	1,362.31
Other financial assets	651.30	1,152.32	651.30	1,152.32
Total	2,423.77	2,553.39	2,423.77	2,553.39
Financial liabilities				
Borrowings	737.08	1,187.63	737.08	1,187.63
Trade payables	1,571.33	1,233.43	1,571.33	1,233.43
Other financial liabilities	124.50	167.83	124.50	167.83
Total	2,432.91	2,588.89	2,432.91	2,588.89

2.38 Ind AS 116 : Leases

The Holding 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)

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 analyze 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. 16.49 as at 31st March 2022 and Rs. 3.00 at 31st March 2021.

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 2022.

Reconciliation of allowance for credit losses

The details of changes in allowance for credit losses during the year ended 31st March 2022 and 31st March 2021 are as follows:

Particulars	FY 2021-22	FY 220-21
Balance at the beginning of the year	19.63	16.63
Impairment Loss / (Gain) of Trade receivables	16.49	3.00
Balance at the end of the year	36.12	19.63

b. 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 2022 and 2021, the Company has utilized working capital credit limits (fund based) from banks of Rs. 631.74 Lakhs and Rs 970.20 Lakhs respectively

As of 31 March 2022, the Company had working capital (current assets less current liabilities) of Rs. 1,494,.48 Lakhs including cash and cash equivalents of Rs. 52.80 Lakhs. As of 31 March 2021, the Company had working capital of Rs. 687.21 Lakhs, including cash and cash equivalents of Rs. 38.76 Lakhs.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st Mar-22

(₹. In Lakhs)

Particulars	2022	2023	2024	Thereafter	Total
Trade payables	1,571.33	-	-	-	1,571.33
Long term borrowings #	-	107.40	39.71	110.19	257.30
Bank overdraft, short-term loans and borrowings*	479.78	-	-	-	479.78
Statutory Liabilities	59.64	-	-	-	59.64
Other liabilities*	124.50	-	-	-	124.50

* The Bank Overdraft and other liabilities are payable on demand.

Long term borrowings include current maturities of long term debt.

c. 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.

d. 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:

(₹. In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Total Debt	737.08	1,187.63
Total Equity	2,145.15	2,140.91
Debt Equity Ratio	0.34:1	0.55:1

2.40 Contingent Liabilities and Commitments:

(₹. In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts	-	-
Income		
b) Guarantees		
Bank Guarantees	1,399.25	1,588.36
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

2.41 Note on "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.

2.42 Impact of COVID-19

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions

because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

2.43A Trade Payables ageing schedule as on 31.03.2022

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	1,159.07	160.99	251.27	1,571.33
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
Total	1,159.07	160.99	251.27	1,571.33

Trade Payables ageing schedule as on 31.03.2021

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	893.60	96.13	243.70	1,233.43
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
Total	893.60	96.13	243.70	1,233.43

2.43B Trade Receivables ageing schedule as on 31.03.2022

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	Total	
(i) Undisputed Trade receivables — considered good	1,421.16	-	37.08	10.19	353.22	1,821.65	
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-	
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	
Total	1,421.16	-	37.08	10.19	353.22	1,821.65	

Trade Receivables ageing schedule as on 31.03.2021

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	Total	
(i) Undisputed Trade receivables — considered good	994.74	21.36	10.51	21.53	399.66	1,447.80	
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-	
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	
Total	994.74	21.36	10.51	21.53	399.66	1,447.80	

2.43C Interest in Other Entities :

The Holding Company's Subsidiary as at 31.03.2022 is set out below :

Name of the Entity	Place of Business / Country of Incorporation As at 31.03.2022	Ownership interest held by the Holding Company As at 31.03.2022	Ownership interest held by the Non Controlling interest As at 31.03.2022	Principal Activity
Vama Technologies Pte Ltd	Singapore	100.00%	0.00%	Other Information Technology and Computer Service Activities

2.43D Other disclosures

Additional Information required by Schedule III

(Rs. In Lakhs)

As at 31.03.2022	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	90.81%	1,948.04	206.08%	9.15
Sub Total (A)	90.81%	1,948.04	206.08%	9.15
Wholly owned Subsidiary Company :				
Vama Technologies Pte Ltd	9.40%	201.66	-106.08%	-4.71
Sub Total (B)	9.40%	201.66	-106.08%	-4.71
Sub Total (A + B)	100.21%	2,149.70	100.00%	4.44
Adjustments arising out of Consolidation (C)	-0.21%	-4.55	0.00%	-
Total (A + B + C)	100.00%	2,145.15	100.00%	4.44

As at 31.03.2021	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	90.53%	1,938.18	7.98%	17.24
Sub Total (A)	90.53%	1,938.18	7.98%	17.24
Wholly owned Subsidiary Company :				
Vama Technologies Pte Ltd	9.68%	207.14	92.02%	198.84
Sub Total (B)	9.68%	207.14	92.02%	198.84
Sub Total (A + B)	100.21%	2,145.32	100.00%	216.08
Adjustments arising out of Consolidation (C)	-0.21%	-4.41	0.00%	-
Total (A + B + C)	100.00%	2,140.91	100.00%	216.08

2.43E Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Holding company from banks and financial institutions have been applied for the purposes for which such loans were taken

2.43F Borrowing secured against current assets

The Holding 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.

2.43G Relationship with struck off companies

The group has no transactions with the companies struck off under section 248 of the Companies Act, 2013

2.43H 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 Act, 1961, that has not been recorded previously in the books of account.

2.43I 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.

2.43J 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.

2.43K 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.

2.43L Wilful Defaulter

None of the entities of the group have not been declared wilful defaulter by any bank or financial institution or other lender.

2.43M 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.

2.43N 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

2.43O 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 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.

VAMA INDUSTRIES LIMITED

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