Vinyas Innovative Technologies Ltd.
(Formerly known as Vinyas Innovative Technologies Pvt. Ltd.)
CIN: L26104KA2001PLC028959
Regd. Office: Plot No.19, Sy No. 26 & 273-P, 3rd Phase
Koorgalli Industrial Area, Ilawala Hobali, Mysuru – 570 018, India
Tel: +91 821 240 4444 | Fax: +91 821 297 2044
www.vinyasit.com

31 August 2024

To,
The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1
G- Block, Bandra-Kurla Complex, Bandra (E)
Mumbai-400 051.

Scrip Code: VINYAS

Sub: Notice of 23rd (Twenty third) Annual General Meeting, Cut-off date for e-voting facility and Annual Report for FY 2023-24.

Pursuant to Regulation 34 (1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time, enclosed is a copy of the Notice of AGM together with the Annual Report containing Financial Statement and Auditors' & Directors' Report of the Company for the financial year 2023-24. This is to inform you that the 23rd Annual General Meeting (AGM) of the Company will be held on Monday, 25th September, 2024 at 11.00 a.m. (IST) through video conferencing ("VC") /other Audio - Visual Means ("OAVM"). This Notice of AGM and Annual Report for FY 2023-24 is being circulated to the shareholders through electronic mode.

This is to inform you that the remote e-voting period begins from Friday, 20th September 2024 from 9.00 a.m. (IST) and shall end on Tuesday, 24th September 2024 Up to 5.00 p.m. (IST). The Members, whose names appear in the Registrar of Members / Beneficial Owners as on cut-of-date i.e. Wednesday, 18th September 2024 are entitled to vote on the resolutions set forth in the Notice.

The above-mentioned information will also be available on the Company's Website at

S. No.	Type of Document	Link for downloading AGM Notice / Annual Report
1	Notice of AGM	https://vinyasit.com/wp-content/uploads/2024/08/Vinyas-AGM-2024-Meeting-Notice.pdf.pdf
2	Annual Report 2023-24	https://vinyasit.com/wp-content/uploads/2024/08/Vinyas-report-2023-2024.pdf

Kindly take the above information on record and acknowledge.

For VINYAS INNOVATIVE TECHNOLOGIES LIMITED

MULBAGAL RAJANNA SUBODH

Digitally signed by MULBAGAL RAJANNA SUBODH
Date: 2024.08.31 13:42:14 +05'30'

Subodh M R

Company Secretary & Compliance Officer

VINYAS INNOVATIVE TECHNOLOGIES LIMITED

L26104KA2001PLC028959

Plot No. 19, Sy No. 26 & 273-P, 3rd Phase Koorgalli Industrial Area,

Ilawali Hobali Mysore KA 570018 Tel: 0821 2404444

Email: secretarial@vinyasit.net website: www.vinyasit.com

NOTICE OF THE TWENTY THIRD ANNUAL GENERAL MEETING

Notice is hereby given that the twenty third (23rd) Annual General Meeting (AGM) of the Members of Vinyas Innovative Technologies Limited will be held on **Wednesday, 25 September, 2025 at 11.00 AM** IST through Au Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

A. ORDINARY BUSINESS

1. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** the Audited Balance sheet as at 31 March, 2024, the Statement of Profit and Loss, notes forming part thereof, the Cash Flow Statement for the year ended on that date and the Consolidated Financial Statements, together with the Reports of the Board of Directors and the Auditor's thereon as circulated to the Members and presented to the meeting be and the same are hereby approved and adopted."

2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Mr. Narendra Narayanan (DIN: 00396176) Director, who retires by rotation, be and is hereby retired as a Director of the Company."

B. SPECIAL BUSINESS

3. **To ratify the remuneration of Cost Auditors:**

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

   "**RESOLVED THAT** pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), remuneration of ₹1,00,000 (Rupees One Lakh only) in addition to reimbursement of all applicable taxes, travelling and out of pocket expenses, payable to CMA S. Mallikarjuna Rao, Practicing Cost Accountants (Registration No. 006048) who is re-appointed as a Cost Auditor of the Company for the year 2024-25 by the Board of Directors of the Company, as recommended by the Audit Committee, be and is hereby ratified."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

4. **To Approve Borrowing Limits under Section 180(1)(c) of Companies Act, 2013:**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding ₹300 Crores (Rupees Three Hundred Crores Only) [including the money already borrowed by the Company] on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to finalize the documents for creating the mortgages / charges / hypothecations and accepting or making any alterations, charges, variations to or in the terms and conditions, to do all such acts, deeds, matters and things and to execute all such documents and writings as it consider necessary, for the purpose of giving effect to this resolution."

5. **To Set the Lease/Encumbrance Limits on The Properties 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 Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the company be and is hereby given to the board of directors of the company to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/ financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans, shall not, at any time exceed ₹300 Crores (Rupees Three Hundred Crores Only) or the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

RESOLVED FURTHER THAT, the Directors of the Company, be and are hereby severally authorized to take all steps for giving effect to the aforesaid resolution, including filing of the necessary forms with the Registrar of Companies and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company."

6. **To Approve Remuneration payable to Mr. Narendra Narayanan, Managing Director:**

To consider 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 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to provisions of Articles of Association, without the approval of the Central Government but by the approval of members in the general meeting and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the members be and is hereby accorded to take note of the overall limit of managerial remuneration payable as per the stipulated limits under Section 197 of Companies Act 2013 in respect of any financial year as per notification issued by Ministry of Corporate Affairs (MCA) dated 12 September, 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 thereby Part II related to conditions to be fulfilled for Remuneration of a Managing Director or Whole-time director or a Manager for payment of remuneration to, on the terms and conditions including remuneration as mentioned below.

1. Basic Salary: ₹7,97,375/- per month w.e.f. 01 April, 2024
2. Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
3. Reimbursements of travelling expenses with family to anywhere in India or abroad as per rules of the Company.
4. Medi-Claim Insurance Policy, premium and personal accidents not to exceed ₹1,00,000/- per annum.
5. Reimbursements of Car, Telephone, Mobile, expenses shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
6. Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

PERQUISITES: In addition to salary he shall be entitled to perquisites and allowances like HRA, medical reimbursement, travelling allowances, club fees and other payments in the nature of perquisites and allowances as agreed by the Board of Directors, subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V of the Act.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Shri Narendra Narayana, remuneration and perquisites not exceeding the ceiling laid down in Schedule V to the Companies Act, 2013, as may be decided by the Board of Directors

RESOLVED FURTHER THAT, Board of Directors of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto."

7. **To Approve Remuneration payable to Mr. Sumukh Narendra, Executive Director:**

To consider 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 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to provisions of Articles of Association, without the approval of the Central Government but by the approval of members in the general meeting and recommendation of the Nomination and Remuneration

Committee and Audit Committee, approval of the members be and is hereby accorded to take note of the overall limit of managerial remuneration payable as per the stipulated limits under Section 197 of Companies Act 2013 in respect of any financial year as per notification issued by Ministry of Corporate Affairs (MCA) dated 12 September, 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 thereby Part II related to conditions to be fulfilled for Remuneration of a Managing Director or Whole-time director or a Manager for payment of remuneration to, on the terms and conditions including remuneration as mentioned below.

1. Basic Salary: ₹4,44,300/- per month w.e.f. 01 April, 2024
2. Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
3. Reimbursements of travelling expenses with family to anywhere in India or abroad as per rules of the Company.
4. Medi-claim Insurance Policy, premium and personal accidents not to exceed ₹1,00,000/- per annum.
5. Reimbursements of Car, Telephone, Mobile, expenses shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
6. Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

PERQUISITES: In addition to salary he shall be entitled to perquisites and allowances like HRA, medical reimbursement, travelling allowances, club fees and other payments in the nature of perquisites and allowances as agreed by the Board of Directors, subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V of the Act.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Shri Sumukh Narendra, remuneration and perquisites not exceeding the ceiling laid down in Schedule V to the Companies Act, 2013, as may be decided by the Board of Directors

RESOLVED FURTHER THAT, Board of Directors of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto."

8. **To Approve Remuneration payable to Mr. T. R. Srinivasan, Executive Director:**

To consider 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 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to provisions of Articles of Association, without the approval of the Central Government but by the approval of members in the general meeting and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the members be and is hereby accorded to take note of the overall limit of managerial remuneration payable as per the stipulated limits under Section 197 of Companies Act 2013 in respect of any financial year as per notification issued by Ministry of Corporate Affairs (MCA) dated 12 September, 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 thereby Part II related to conditions to be fulfilled for Remuneration of a Managing Director or Whole-time director or a Manager for payment of remuneration to, on the terms and conditions including remuneration as mentioned below.

1. Basic Salary: ₹3,28,896/- per month w.e.f. 01 April, 2024
2. Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
3. Reimbursements of travelling expenses with family to anywhere in India or abroad as per rules of the Company.
4. Medi-claim Insurance Policy, premium and personal accidents not to exceed ₹1,00,000/- per annum.
5. Reimbursements of Car, Telephone, Mobile, expenses shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
6. Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

PERQUISITES: In addition to salary he shall be entitled to perquisites and allowances like HRA, medical reimbursement, travelling allowances, club fees and other payments in the nature of perquisites and allowances as agreed by the Board of Directors, subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V of the Act.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Shri T.R. Srinivasan, remuneration and perquisites not exceeding the ceiling laid down in Schedule V to the Companies Act, 2013, as may be decided by the Board of Directors

RESOLVED FURTHER THAT, Board of Directors of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto."

9. **To approve formulation, adoption and implementation of 'Vinyas Employee Stock Option Plan, 2024' ("Vinyas ESOP 2024")**.

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

"**RESOLVED THAT** pursuant to Section 62(1)(b) of the Companies Act, 2013 ("Act") (including any statutory modification or re-enactment thereof for the time being in force), read with Companies (Share Capital and Debentures) Rules, 2014, and other applicable rules, if any, of the Act and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, (collectively referred to as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, (collectively referred to as "SEBI LODR Regulations") the circulars and amendments thereof, the Memorandum and Articles of Associations of the Company and such other approvals, permissions and sanctions as may be necessary from any other authorities, if any, and the approval of Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee "NRC", which the Board has constituted to exercise its powers, including the powers conferred by this Resolution and SEBI SBEB Regulations) the consent of the members be and is hereby accorded to offer/ issue shares to its Employees under 'Vinyas Employee Stock Option Plan 2024' and withdrawal of 'Vinyas Employee Stock Option Scheme, 2022'. The 'Vinyas Employee Stock Option Plan 2024'' (hereinafter referred to as "Vinyas ESOP-2024") the salient features of which are detailed in the Explanatory Statement annexed herewith.

RESOLVED FURTHER THAT the Vinyas Employee Stock Option Scheme, 2022 approved by the members of the Company on 23 January, 2023 is hereby withdrawn.

RESOLVED FURTHER THAT the Company to offer, issue and allot at any time to or for the benefit of employees who are in the permanent employment of the Company whether working in India or out of India, including Directors of the Company whether Whole-time Directors or not, but excluding Promoter, Promoter Group, and Independent Directors, and to such other persons as may from time to time be allowed to be eligible for the benefit under the provisions of applicable laws and regulations prevailing from time to time (all such persons are hereinafter collectively referred to as "Employees") under the Vinyas ESOP 2024, such number of equity shares of the Company not exceeding 6,29,236 equity shares of face value of ₹10/- each as and when exercised on payment of exercise price, (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organisation of the capital structure of the Company as may be applicable from time to time), in one or more tranches, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Scheme, the provisions of the law or regulations issued by the relevant authority, as may be prevailing at that time.

RESOLVED FURTHER THAT the NRC Committee of the Company be and is hereby authorized to exercise all such authorities, powers and functions as may be necessary or required for the purpose of implementation of said 'Vinyas Employee Stock Option Plan 2024' including the terms and conditions for grant, issue, vesting and exercise of Options, and/ or concerning issue of shares, and lock in, if any, and to do all such acts and deeds as may be necessary to give effect to this resolution and to decide all other matters in connection with the shares under the Scheme in accordance with the applicable laws.

RESOLVED FURTHER THAT the NRC Committee be and is hereby also authorised to determine, modify and vary all or any of the terms and conditions of the Vinyas ESOP 2024 as it may in its absolute discretion determine, subject to applicable laws.

By and order of the board
For Vinyas Innovative Technologies Limited

Subodh M R
Company Secretary & Compliance Officer

Registered office
Plot No. 19, Sy No. 26 & 273-P,
3rd Phase Koorgalli Industrial Area,
Ilawali Hobali Mysore KA 570018

Place: Mysuru
Date: 31 August, 2024

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 08 April, 2020, Circular No.17/2020 dated 13 April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 05 May, 2020 and Circular No. 02/2021 dated 13 January, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated 08 April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 08 April, 2020, 13 April, 2020 and 05 May, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13 April, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.vinyasit.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 08 April, 2020 and MCA Circular No. 17/2020 dated 13 April, 2020, MCA Circular No. 20/2020 dated 05 May, 2020 and MCA Circular No. 2/2021 dated 13 January, 2021.

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

The remote e-voting period begins on Friday, 20 September, 2024 at 09:00 A.M. and ends on Tuesday, 24 September, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 18th September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 18th September, 2024.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Type of shareholders
Individual Shareholders holding securities in demat mode with **NSDL**.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with **CDSL**	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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

Type of shareholders	Type of shareholders
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
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. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **abhishek@alegal.co.in** with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@ vinyasit.net.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (secretarial@vinyasit.net.). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9 December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

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

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

Item No. 3: To ratify the remuneration of Cost Auditors:

As recommended by the Audit Committee and the Board at its meeting held on 22 May, 2024, re-appointed CMA S. Mallikarjuna Rao, Practicing Cost Accountants (Registration No. 006048) as Cost Auditors of the Company, in terms of Section 148 of the Companies Act, 2013 and fixed a sum of ₹1,00,000/- (Rupees One Lakhs Only) as remuneration payable for the financial year 2024-25, subject to ratification by the shareholders of the Company.

In terms of Section 148 (3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the shareholders of the Company at the ensuing Annual General Meeting of the Company.

The Directors, therefore, recommended the ordinary resolution, as set out in item No. 4 for ratification of remuneration payable to the Cost Auditors of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in item No. 3 of this notice.

Item No. 4 and 5: To Approve Borrowing Limits under Section 180(1)(c) of Companies Act, 2013:

As per the provisions of Section 180 (1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting by passing a Special Resolution, borrow monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company. Taking into consideration the growth in the business operations, foreseeable future plans and the existing credit facilities availed by the Company, it would be in the interest of the Company to enhance the borrowing limits for the Board and authorise the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves and securities premium but that shall not to exceed ₹300 Crores (Rupees Three Hundred Crores Only).

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

The mortgage and/or charge by the Company of its movable and/ or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/agent(s)/ trustees. Further, the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180 (1) (a) of the Companies Act, 2013. Hence it shall be necessary to obtain approval for the same from the Shareholders. The Board of Directors recommend for Shareholders approval through Special resolution.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 6, 7 and 8: To approve the payment of remuneration to Executive Directors:

Under the Act, directors have been entrusted with new responsibilities to make their role more objective. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to the Directors by the Company should commensurate with their increased role, responsibilities and duties.

Section 197 of the Act provides for payment of remuneration to the directors within the overall limit of 11% of Net profits of the company. However remuneration paid to any one director shall not exceed 5%. of the net profits of the Company.

Based on the recommendation of the Nomination and Remuneration Committee at its meeting held on 27 August, 2024, The Board of Directors of the Company have, subject to the approval of members of the Company, proposed to remunerate the Executive Directors the remuneration not exceeding in aggregate 11 percent of the net profits of the Company for each financial year and 5 percent to any one director, as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof for a further period of 5 (five) years commencing from 1 April, 2024 to 31 March, 2029.

Save and except all the Executive directors of the Company and their relatives, if any, to the extent of their shareholding, is interested. None of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6, 7 and 8 of the Notice.

Item No. 9: To approve Vinyas Employee Stock Option Plan, 2024:

Stock options represent a reward system based on performance. They help companies to attract, retain and motivate the best available talent. This also provides an opportunity to employees to participate in the growth of the company, besides creating long term wealth in their hands.

In line with this the Company had earlier formulated an "Vinyas Employee Stock Option Scheme, 2022" (ESOS 2022). The objectives of the scheme were to attract reward and retain talented and key eligible Employees of the Company and align them with the Company's objectives. The Company was of the view that Stock Options are instruments that would enable the Employees to be co-owners and get a share in the value and contribute to the Company's goals in the years to come, thereby increasing the shareholders' value. The scheme was approved by the board of directors on 14 January, 2023 and further approved by the members through resolution dated 23 January, 2023. Further, the Company could not grant option under the "Vinyas Employee Stock Option Scheme, 2022" (ESOP 2022) and the Company hereby withdraws the said scheme and shall approve the fresh scheme named, “Vinyas Employee Stock Option Plan 2024” (hereinafter referred to as “Vinyas ESOP 2024”).

Vinyas ESOP 2024 is made in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (‘SEBI SBEB Regulations’) issued by SEBI and other applicable laws. The scheme has been approved by the Board of Directors at the meeting held on 29 May, 2024. At the said meeting, the Board authorised the NRC Committee for the implementation of the said scheme. Further, under the provisions of the Companies Act, 2013 and SEBI SBEB Regulations, approval of the members by way of special resolution is required to be passed.

The salient features of the Vinyas ESOP 2024 are as under:

a. **Brief description of the Scheme**

The Scheme shall be called Vinyas ESOP 2024 and shall be implemented directly or through Nomination and Remuneration Committee of the Company. It applies employees who are in the permanent employment of the Company whether working in India or out of India, including Directors of the Company whether Whole-time Directors or not, but excluding Promoter, Promoter Group, Independent Directors and Director holding more than 10% of equity in the Company directly or indirectly.

It shall be deemed to have come into force on the date of receipt of shareholders’ approval. It shall continue in effect till all the Options granted under the Plan are exercised or have been extinguished or unless the Scheme is terminated in accordance with the regulations.

b. **The total number of options to be granted**

The total number of options that may, in the aggregate, be issued would be such number of options which shall entitle the option holders to acquire in one or more tranches up to 1% equity shares of the Company of the face value of ₹10 each (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organization of the capital structure of the Company as may be applicable from time to time). Each such Options confers a right upon the Employee to apply for 1 (one) equity shares of ₹10/- each of the Company, in accordance with the terms and conditions of such issue.

In cases where options, whether vested or unvested, lapse or expire or are forfeited for any reason, the NRC Committee may re-issue the options to other eligible employees. The options so issued shall be subject to the terms and conditions of the scheme.

c. **Identification of classes of employees entitled to participate in the Scheme**

All eligible employees who are in the permanent employment of the Company whether working in India or out of India, including Directors of the Company whether Whole-time Directors or not, but excluding Promoter, Promoter Group, and Independent Directors and Director holding more than 10% of equity in the Company directly or indirectly, as may be decided by the Board of Directors (hereinafter referred as ‘the Board’ which term shall include Nomination and Remuneration Committee from time to time and as permitted under law), would be entitled to be granted options under the Scheme.

d. **Requirements of vesting and period of vesting**

Options granted under Vinyas ESOP 2024 would vest after expiry of minimum of 1 (One) year but not later than 6 (Six) years from the Grant Date of such Options. The minimum Vesting Period of one year shall not apply to cases of separation from employment due to death or Permanent Disability. The vesting may occur in one or more tranches, subject to terms and conditions of vesting, as may be stipulated by the Nomination and Remuneration Committee in its sole discretion.

The Nomination and Remuneration Committee may, at its discretion, lay down certain performance metrics for each round of grant, on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance based vesting and the proportion in which options granted would vest. The exact proportion in which and the exact period over which the options would vest would be determined by the Nomination and Remuneration Committee, subject to the minimum vesting period permitted under the regulations, as amended from time to time.

e. **Exercise price/pricing formula**

Exercise Price means the price approved by Nomination and Remuneration Committee being payable by an Employee in order to exercise the Options granted to him in pursuance of the Vinyas ESOP 2024 subject to applicable laws.

The Exercise price per option is ₹10/- per share which is equivalent to its face value and is determined by the Nomination and Remuneration Committee. In determining the Exercise Price, the Committee has taken into consideration relevant factors prevalent at the time of the Grant which, among other things, would include the trend in the market price of the Company's Equity Shares quoted on Stock Exchange

f. **Exercise period and process of exercise**

The exercise period may commence from the date of vesting and will expire not later than 5 years from the date of vesting, or such other period as may be decided by the Nomination and Remuneration Committee from time to time.

The options will lapse if not exercised within the specified exercise period or as may be specified by the Nomination and Remuneration Committee. Exercise Period in case of separation from employment/ service shall be as determined as per the scheme in consultation with the NRC Committee.

g. **Appraisal Process for determining the eligibility of Employees to the Scheme**

The appraisal process for determining the eligibility of the Employee will be specified by the Nomination and Remuneration Committee and will be based on criteria such as the grade of Employee, length of service, performance record, CTC, expected potential contribution by the Employee and/or by any such criteria that may be determined by the Nomination and Remuneration Committee in its sole discretion.

h. Maximum number of options to be issued per Employee and in aggregate

The maximum number of Options that may be offered under the Vinyas ESOP 2024 per Employee and in aggregate whether in any one or more financial year(s), shall not exceed 6,29,236 (Six lakhs Twenty Nine thousand two hundred thirty six) Employee Stock Options convertible in to not more than 6,29,236 (Six lakhs Twenty Nine thousand two hundred thirty six) Shares having a face value of ₹10/- (Rupees Ten Only) each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such issue. Subject to this ceiling, the Nomination and Remuneration Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each Employee.

i. Maximum quantum of benefits to be provided per employee under a Scheme:

No benefit other than grant of options is envisaged under the scheme. Maximum benefit shall accordingly refer to the maximum number of options that may be issued per employee.

j. Manner of implementation and administration of the Scheme (directly by the Company or through a Trust)

The Scheme will be implemented directly by the company

k. Category of Scheme(s) (involves new issue of shares by the company or secondary acquisition by the trust or both)

The Scheme will be implemented directly by the company by allotment of Shares.

l. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;

Not Applicable

m. Disclosure and accounting policies

The Company shall conform to the accounting policies specified by the Securities and Exchange Board of India as per the SEBI SBEB Regulations, amended from time to time.

n. Method of Option Valuation

Method of Valuation will be as prescribed under relevant / applicable Regulations, Rules/ Laws.

o. Other terms

The shares shall be allotted directly to the employees. The Nomination and Remuneration Committee, shall have the absolute authority to vary, modify or alter the terms of the Scheme in accordance with the Regulations and Guidelines as prescribed by the Securities and Exchange Board of India (SEBI SBEB Regulations) that may be issued from time to time, unless such variations, modifications or alterations is detrimental to the interest of the Employees.

Your Directors recommend the resolutions as set out under Item No. 9 to this Notice for your approval by way of Special Resolutions.

Memorandum of Interest: None of the Directors of the Company is, in any way, concerned or interested in the resolution, except to the extent of the Option/Shares that may be offered to him/her /or any of his relatives under the Scheme.

By and order of the board
For Vinyas Innovative Technologies Limited

Subodh M R
Company Secretary & Compliance Officer

Registered office
Plot No. 19, Sy No. 26 & 273-P,
3rd Phase Koorgalli Industrial Area,
Ilawali Hobali Mysore KA 570018

Place: Mysuru
Date: 31 August, 2024

Vinyas Innovative Technologies Limited
Annual Report 2023-24

Capitalising on opportunities

CONTENTS

Forward-looking statement

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

Capitalising on opportunities.

Vinyas Innovative Technologies Limited is at an inflection point.

The company is poised to capture the growing opportunities arising out of increased government spending on defence and health care.

The increased investment in India's defence and medical electronics provides widening opportunities for forward-looking companies like Vinyas; possessing an expertise in the assembly of printed circuit boards and product integration.

Vinyas is rightly placed to capitalise through a commitment to long-standing competencies.

The rapidly transforming industry environment and the company's competitive positioning is expected to translate into positive outcomes that enhance value for stakeholders in a sustainable way.

CORPORATE **SNAPSHOT**

Vinyas Innovative Technologies Limited.

Established in 2001, Vinyas Innovative Technologies provides Electronics Manufacturing Services to global OEMs* and ODMs**.

With two decades of industry expertise, Vinyas leverages cutting-edge technologies and state-of-the-art infrastructure to support customers worldwide.

Known for its innovative solutions and commitment to quality, Vinyas specialises in complex manufacturing processes in the EMS industry.

Vinyas has built a global network of suppliers and customers, fostering long-term partnerships and delivering quality contract manufacturing services.

Vision

To become a global electronic system design and manufacturing service player

Mission

To be in small, medium and large volume segments of the electronics industry and build capacities by locating at strategic multiple points across the globe to meet customer needs

Values

Our focus is on integrity, innovation, responsibility and transparency - in business and with all our stakeholders

Promoter

The company was founded in 2001 and is led by Mr. Narendra Narayanan, Managing Director. He is guided by a Board of Directors that comprises expert professionals distinguished in their respective fields.

*Original equipment manufacturer
** Original design manufacturer

Capability matrix

Vinyas specialises in electronic contract manufacturing services that include Printed Circuit Board Assemblies, Testing and Box Build Assemblies across sectors such as defence, aerospace, medical electronics, industrial and other segments.

Geographic presence

Vinyas' manufacturing facility in Mysore, Karnataka, serves as a strategic advantage, leveraging the city's reputation as an electronic hardware hub.

Workforce

As of 31 March, 2024, the number of employees at Vinyas was 405 permanent employees, marked by a range of competencies comprising engineering design, manufacturing, quality control, finance, sales, service and compliance, among others.

Credit rating

The company's long-term bank facilities were rated BB+ and short-term bank facilities at A4+ by ICRA Limited, underscoring the robustness of its business model, financial stability, promoter credibility, product quality, and enduring stakeholder relationships.

Listing

The company's equity shares are listed on NSE Emerge. As of 31 March, 2024, the company's market capitalisation was ₹755.08 crore.

Quality validation

Vinyas' quality commitment has been validated by reputed certifications such as ISO 9001:2015, AS 9100-D and ISO 13485:2016.

Quality initiatives

- Six Sigma project management system
- Lean Management system
- PDCA project improvement system
- Employee suggestion for project and process improvement
- Performance management system
- 5S management system
- Kaizen

Awards and accolades

- Received Best Employer of the Year Award in 2010-11
- Received Platinum Achiever Award in 2014-15
- Awarded India's Best SMEs - 2015 by Skoch Group, New Delhi
- Awarded the Best Electronics Manufacturing Services Company by the INDIA Electronics and Semiconductor Association in 2017-18
- Felicitated with Outstanding Performance & Unwavering Dedication Award from Forbes Marshall, Pune: 2023
- Received Zero Defect Supplier Award from Bharat Electronics Limited, Pune in 2022-23
- Awarded the MSME Sustainable ZED Gold Certificate from the Ministry of Micro, Small & Medium Enterprises, India: 2023

Our diverse product portfolio

Overview

The company is present across sectors such as Defence & Aerospace, Medical Electronics, Industrial and other segments. Vinyas takes pride in adding value to its customers through collaborations and partnerships. The company's clientele comprises prestigious names like Bharat Electronics Limited, Hindustan Aeronuatics Limited, Elbit Systems Electro-Optics – Elop, IAI Elta, Schneider Electric India Private Limited, Larsen & Toubro Limited, Alpha Design Technologies, Forbes Marshall and Lakshmi Life Sciences Limited and many more.

Revenue by verticals (₹ Lakh)

VERTICAL	FY 24	FY 23
Aerospace and Defence	26,874.07	19,303.94
Medical	542.41	292.63
Others (Industrial, Telecommunications, Automotive & Consumer segments)	4,303.38	3,855.83
Total	**31,719.86**	**23,452.40**

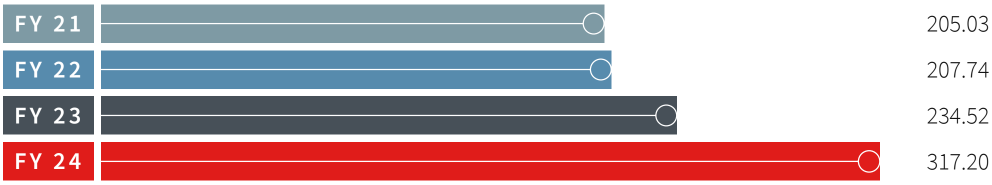
Our prestigious clientele

BIG NUMBERS

5+	56+	10+	20+
Six-Sigma certified personnel	IPC Standard certified personnel	Joint Industry Standard certified personnel	ISO Internal Auditors

How we have grown over the years

Revenue (₹ crore)



Performance

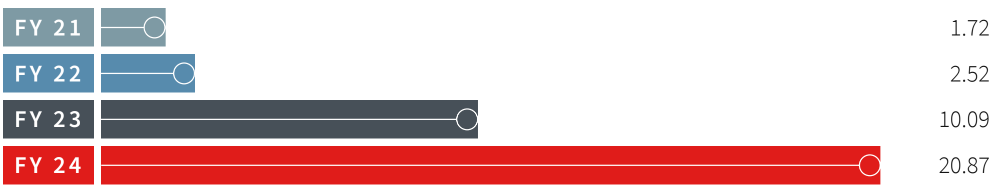
The company reported a 35.3% growth in revenue to ₹317.2 crore . This growth was on account of an increased execution of orders

EBITDA (₹ crore)

Performance

The company reported an EBIDTA growth of 59.5% in 2023-24. The improvement was on account of increased asset utilisation and superior product mix.

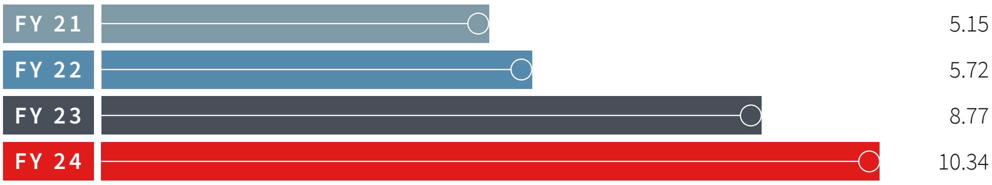
Net Profit before Tax (₹ crore)



Performance

The company reported a growth of 106.9% in its net profit before tax increased asset utilisation and product mix.

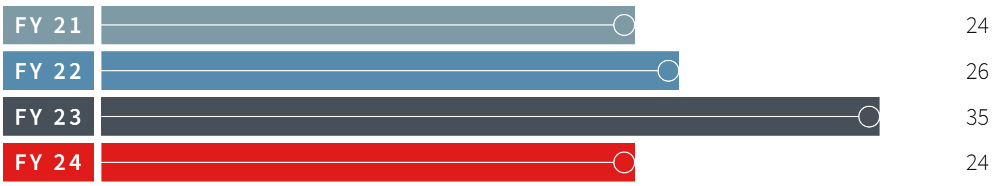
EBITDA margin (%)



Performance

The company reported a 116 bps improvement in EBIDTA margin in 2023-24 on account of enhanced revenues and superior product mix.

ROCE (%)



Performance

The company has maintained a healthy ROCE during the year under review following a large cash inflow following the IPO.

Gearing (x)

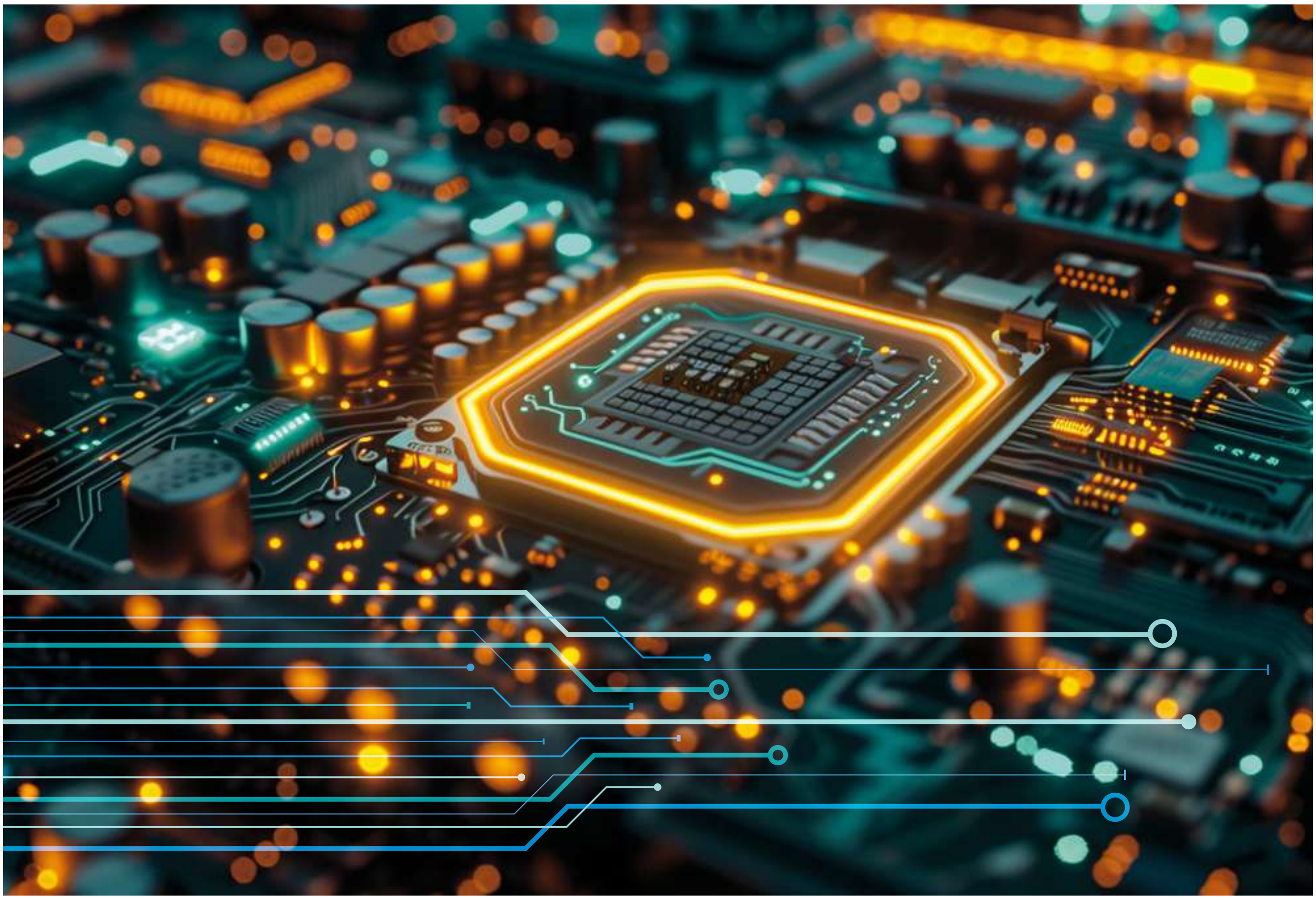
Performance

The gearing declined by 113 bps due to increased net worth accretion on account of the company's performance and IPO inflow

THE BIG **PICTURE**

The emerging strategic electronic segments

Industry entered its fourth decisive phase in the last few years



Overview

The EMS market was valued at ~USD 880 billion in 2021. India held a small share of the global EMS (electronics manufacturing services) market at ~2.2% (USD 20 billion) in 2020, but is expected to experience one of the fastest growth, a 32% CAGR from 2021-26. This growth is likely to be driven by a combination of domestic and international factors such as 'China+1' strategy, which encourages companies to diversify their supply chains beyond China, and robust government initiatives such as the 'Make in India' campaign among others. The EMS wave began in India with the government push to promote local manufacturing in 2019-20, leading to a significant reduction in the electronics import/export ratio from 8.3x in 2017-18 to 3.2x in 2022-23.

As geopolitical shifts and government initiatives continue to favour local manufacturing, India is becoming a viable option for global companies seeking alternative manufacturing hubs.

The electronics industry is one of the largest global industries and forms an integral part of several industries including medical, strategic electronics (defence, space, aerospace) and others (industrial, automotive). India's domestic electronics production has grown at a CAGR of 13%, increasing from USD 49 billion in 2016-17 to USD 101 billion in 2022-23. The country's electronics exports are expected to reach USD 120 billion by 2025-26.

(Source: Aranca, Invest India)

Business drivers

Atmanirbhar Bharat: This promotes domestic manufacturing through financial incentives, simplified regulations and infrastructure support to boost employment and position India as a global manufacturing hub.

Defence import disincentivisation: India's negative import list mandates sourcing certain defence equipment domestically, seeking to enhance self-reliance and reduce import dependence.

China plus one: Global companies are increasingly considering India as a manufacturing alternative to China to diversify supply chains and leverage India's growing manufacturing capabilities.

Indian EMS market growth: India's USD 20 billion electronics manufacturing services market is estimated to grow at a 32% CAGR from 2021-26 boosting its contribution to GDP by 2026.

PCB assembly market growth: India's PCB assembly market is expected to grow at a 38.4% CAGR, driven by a rising demand for electronics products and supportive government policies.

Conducive government policy: The Indian government has introduced initiatives like the Electronics Manufacturing Cluster 2.0 scheme to catalyse domestic electronics manufacturing.

Opportunities across segments

#1 Defence and aerospace

- The Atmanirbhar Bharat initiative is expected to generate over ₹1.75 lakh crore worth of orders across Indian industries in the next 5-10 years. Rapid indigenisation is expected to take place, leading to significant domestic private sector catering to manufacturing and export opportunities supported by favourable policies.
- The government is committed to strengthening the domestic defence and aerospace sectors through a number of initiatives such as an embargo on defence-based imports, introduction of positive indigenisation lists, higher defence budget allocations and a significant allocation of the defence capital procurement budget for the domestic industry.
- Ongoing efforts to improve aerial, land cum maritime capabilities and modernise existing fleets are expected to drive substantial capital expenditure over the next 5-6 years Anticipated investments across all three forces include the modernisation of fighter aircraft, unmanned aerial vehicles, radar programs, helicopters, combat vehicles, infantry combat vehicles, missiles, tanks, submarines, and others. These initiatives are expected to create opportunities across the Indian and global defence companies, particularly in electronic warfare, avionics, radars, missiles, UAVs and fighter craft.

#2 Medical electronics

- India is the fourth largest Asian medical devices market after Japan, China, and South Korea.
- The Indian medical devices market is estimated at USD 11 billion and expected to grow to USD 50 billion in the next few years. The sector has been growing at a CAGR of 15% over the last three years.
- India faces a considerable gap between the current demand and supply of medical devices, creating opportunities for manufacturing devices in India.
- The Indian medical devices industry was allocated a financial outlay of ₹3,420 crore for the period 2020-21 to 2027-28, through the production linked incentive scheme(PLI) scheme.

SECTORIAL

The evolution of indigenous defence

Overview

Global military spending reached a record USD 2.44 trillion in 2023, marking the ninth consecutive year of growth, with the first increase across all major regions in 15 years. There is a notable shift towards localisation in India. India's Atmanirbhar initiative emphasises self-reliance, focusing on domestic development and manufacture. Under this initiative, the Indian government is encouraging domestic industries to develop and manufacture mission-critical military equipment. This approach has several benefits, including reduced dependence on foreign suppliers, improved security, economic benefits, and enhanced sovereignty. Atmanirbhar allows India to maintain control over its military technology and development, rather than being dependent on foreign powers.

This shift towards localisation is expected to continue shaping the defence industry, as the nation prioritises self-reliance and indigenisation of its military capabilities. As a result, the defence industry is likely to undergo significant changes, with a greater emphasis on domestic production, research, development, and innovation.

Growth drivers

Indigenisation drive: India is actively pushing for indigenisation in the defence sector due to heavy import reliance, particularly on advanced equipment. With 70% of high-tech defence hardware imported, the government's aim is to increase domestic production and reduce dependence on external sources. Moreover. modernisation challenges in the aero-defence space have underlined the necessity for a robust domestic defence ecosystem

Growing private investment: The shift in focus for state-owned defence companies, towards developing and producing high-end platforms opens significant opportunities for indigenous private firms. This strategic move allows private companies to play a crucial role in the defence ecosystem, particularly in the development and integration of lower-tier products.

Strategic policy measures: The government's move to introduce affirmative indigenisation lists, alongside DPSU initiatives, enhances the prospects for domestic defence players. The Defence Acquisition Procedure (DAP), 2020, promotes indigenous defence equipment manufacturing. The government's procurement hierarchy emphasises Buy (Indian- Indigenously Designed Developed and Manufactured), Buy (Indian), and Buy and Make (Indian), further reinforcing the commitment to local sourcing.

Export and growth trajectory: India's recent surge in defence exports, driven by private sector endeavours, signifies a thriving market demand. A 53% average annual growth in defence exports between 2016-17 and 2021-22 underscores the sector's momentum. The government's plans to triple India's total defence production to ₹3 lakh crore by 2028-29, with exports target doubling from ₹21,083 crore to ₹50,000 crore.

Conclusion

Vinyas stands to benefit from this evolution by aligning with the growing demand and collaborating with foreign original equipment manufacturers (OEMs) for product manufacturing through transfer of technology (ToT) and supply to Defence forces, DPSUs and the export market. Vinyas would be offering complete one-stop solutions covering and printed circuit board assemblies, system integration, cable and wire harness and maintenance repair overhaul (MRO)

THE MANAGING DIRECTOR'S **OVERVIEW**

Overview

I am pleased to present our performance in the first Annual Report following the company's going public in October, 2023.

Your company reported profitable growth, on the back of increased sales, timely change in product mix and superior operating leverage.

Your company reported a 35.3% growth in revenues from ₹234.52 crore in 2022-23 to ₹317.20 crore in 2023-24. EBITDA strengthened 59.5% from ₹20.57 crore in 2022-23 to ₹32.81 crore in 2023-24. Net profit strengthened 106.9% from ₹10.09 crore in 2022-23 to ₹20.87 crore in 2023-24.

Besides, the business reported attractive capital efficiency. Return on Capital Employed was healthy; EBITDA margin strengthened from 8.77% to 10.34%.

Our performance despite challenges

The company reported a creditable performance despite challenging realities. The year was marked by geopolitical disturbances in the Middle East that affected component supply in the second half of the year despite these challenges, the company reported improved results.

This performance validated the company's commitment to build a business model that remained resilient during industry challenges with minimal impairment of the Balance Sheet.

Business model

Over the years, Vinyas cultivated a business model were targeting high-reliability segments such as defence, aerospace and medical electronics, where entry barriers were significant due to product complexity, long life cycles and stringent customer qualifications and certifications.

The company's EMS business offers an extensive range of manufacturing services, including system integration, complex box builds and printed circuit board assemblies tailored to customer designs.

Serving a distinguished clientele of large Indian PSUs and global OEMs, Vinyas positioned itself as a strategic partner for global defence and aerospace OEMs, as well as Indian private and public sector defence undertakings. The company focuses on high-mix, high-tech, low to medium volume requirements within strategic segments, ensuring superior realisations.

The upsides

The various defence and aerospace programmes are transitioning from prototyping orders to series manufacturing. This enabled the company to gain greater revenue visibility.

The development of projects critical to national defence and medical device sectors opened the door to large-scale government programs with long-term potential, characterised by a gradual shift towards indigenisation.

Long-term optimism

The company possesses nearly a quarter of a century's exposure to its sector, marked by a first-hand experience of having encountered and negotiated a sectorial cycles.

The company is engaged in two segments critical to national growth – defence and medical devices.

The company invested extensively in the last few years to create an infrastructure that should represent a platform for the company's growth for the next several years.

The company's long-standing presence in India, marked by validated and certified supply to some of the most prominent Global and Indian customers and their critical projects is expected to widen the company's global footprint.

Outlook

The company is dedicated to innovation, customer centricity, and operational excellence. With a strong pipeline spanning the next five to six years of order book, our growth trajectory is further supported by our unique capabilities, expanding capacities and engineering expertise.

We expect that the ferment of these initiatives should translate into enhanced orders inflow that makes it possible for a sustained revenue growth of 20-25% over the next few years.

Thank you for your commitment and support in 2023-24 and I look forward to continued value creation for all stakeholders of Vinyas Innovative Technologies.

Mr Narendra Narayanan
Managing Director

Business strengthening initiatives

- Leverage the first articles approved by the defence sector
- Build a state-of-the-art infrastructure
- Leverage certified supply to prominent Indian customers
- Capitalise on existing customer relationships
- Enhance investments in engineering
- Focus on large orders of advanced complex products

EXCELLENCE **DRIVER**

How Vinyas delivers a one-stop solution that enhances the customer's business needs

Our service spectrum

1	2	3	4	5
Concept	Design engineering	Prototype	Contract manufacturing	After market support

Build to print

Build to specification

Services under Contract Manufacturing

- PCB Assembly
- System Integration
- Advanced Testing
- Wiring Harness

Build to print (B2P)

Our B2P solutions involve our customer providing the design for the product for our manufacturing services.

Build to specification (B2S)

Our B2S services involve utilizing our design capabilities to design the relevant product, based on the specifications provided by the customer and manufacturing the product.

What we do

Distinguishing ourselves within the Indian EMS landscape, we specialise in serving highly regulated industries and hold the position of the largest EMS services supplier by value to the aerospace and defence industry in India.

PCBA,* System Integration, cable assembly: Our B2P solutions involve our client providing the design for the product for which we provide agile and flexible manufacturing services (in the defence and aerospace segment).

Our B2S services involve utilizing our design capabilities to design the relevant product based on the specifications provided by the client and manufacturing the product. We support clients throughout the product life cycle with integrated services for design, manufacturing and after-market needs. As a strategic partner to highly regulated industries, we maintain long-term relationships, high customer retention, and revenue visibility (in the medical segment).

Our value-added services

Obsolescence management

This process supports the end-of-life products of our clients. We advise on components that need to be replaced due to technological upgradation and the non availability of relevant components

New product introduction

New product introduction is the process of taking a product idea from conceptualisation to making the product available for use or production.

Value engineering

Value engineering is an organised effort to analyse building features, systems, equipment, and materials to achieve essential functions at the lowest life cycle cost while maintaining performance, quality, reliability, and safety.

Localisation

Localisation is the process of adapting a particular product to the local needs of a particular geography or culture with a focus on leveraging locally available components to build the product.

Logistics and supply chain

This service helps clients manage their supply chain needs, from sourcing to logistics and storage. It covers the coordination of sourcing, manufacturing, transporting, and storage.

*Printed Circuit Board Assembly

Management discussion and analysis

Global economy

Overview

Global economic growth declined from 3.5% in 2022 to an estimated 3.1% in 2023. A disproportionate share of global growth in 2023-24 is expected to come from Asia, despite the weaker-than-expected recovery in China, sustained weakness in USA, higher energy costs in Europe, weak global consumer sentiment on account of the Ukraine-Russia war, and the Red Sea crisis resulting in higher logistics costs.

Growth in advanced economies is expected to slow from 2.6% in 2022 to 1.5% in 2023 and 1.4% in 2024 as policy tightening takes effect. Emerging market and developing economies are projected to report a modest growth decline from 4.1% in 2022 to 4.0% in 2023 and 2024. Global inflation is expected to decline steadily from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024, due to a tighter monetary policy aided by relatively lower international commodity prices. Core inflation decline is expected to be more gradual; inflation is not expected to return to target until 2025 in most cases. The US Federal Reserve approved a much-anticipated interest rate hike that took the benchmark borrowing costs to their highest in more than 22 years.

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This outperformance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectations of rate cuts by the US Fed and other Central banks.

Regional growth (%)	2023	2022
World output	3.1	3.5
Advanced economies	1.69	2.5
Emerging and developing economies	4.1	3.8

(Source: UNCTAD, IMF)

Outlook

Asia is expected to continue to account for the bulk of global growth in 2024-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high inflation and monetary tightening, growth around previous levels for the next two years

(Source: World Bank).

Indian economy

Overview

The Indian economy was estimated to grow 7.8% in the 2023-24 fiscal against 7.2% in 2022-23 India retained its position as the fifth largest economy. The Indian rupee displayed relative resilience compared to the previous year.

The nation's foreign exchange reserves achieved a historic milestone, reaching USD 645.6 billion. The credit quality of Indian companies remained strong between October 2023 and March 2024 following deleveraged Balance Sheets, sustained domestic demand and government-led capital expenditure.

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output was estimated to grow 6.5% in 2023-24 compared to 1.3% in 2022-23.

Growth in real GDP during 2023-24 was estimated at 7.3% compared to 7.2% in 2022-23.

Growth of the Indian economy

	FY 21	FY 22	FY 23	FY 24
Real GDP growth (%)	-6.6%	8.7	7.2	7.8

Growth of the Indian economy quarter by quarter, 2023-24

	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Real GDP growth (%)	8.2	8.1	8.4	8

(Source: Budget FY 24; Economy Projections, RBI projections, Deccan Herald)

India reached a pivotal phase in its S-curve, characterised by acceleration in urbanisation, industrialisation, household incomes and energy consumption. India emerged as the fifth largest economy with a GDP of USD 3.6 trillion and nominal per capita income of ₹1,23,945 in 2023-24.

India was ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. India's unemployment declined to a low of 3.2% in 2023 from 6.1% in 2018.

Outlook

India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to surpass USD 4 trillion in 2024-25 The Interim Union Budget 2024-25 retained its focus on capital expenditure spending, comprising investments in infrastructure, solar energy, tourism, medical ecosystem and technology.

Defence market overview

The global aerospace and defence market was valued at USD ~750 billion in 2022 and is expected to grow to USD 1,388 billion by 2030, with a compound annual growth rate (CAGR) of 8.2% from 2023 to 2030 with North America leading the market from 2023-30. This growth is driven by several factors, including increasing air travel demand, technological advancements, expanding space activities, rising military modernisation and growing investments in the aerospace and defence sectors The Indian aerospace and defence market is expected to be valued at USD 27.1 billion in 2024 and reach USD 54.4 billion by 2033, at a CAGR of 6.99% during 2024–2033.

This growth trajectory is supported by various government initiatives such as Make in India, which incentivises domestic defence manufacturing and aims to reduce reliance on foreign imports.

In the Union Budget for 2024-25, the defence sector was allocated ₹6.22 lakh crore, reflecting strong governmental support for its expansion. These allocations, the highest among all ministries, provide stability and growth opportunities for indigenous defence companies. The sector's modernisation efforts encompass a wide array of military assets, including fighter jets, helicopters, warships, tanks, artillery guns, rockets, missiles, unmanned capabilities, and other combat systems.

Moreover, the strategic focus on defence exports aims to diversify clientele and boost revenue streams for domestic companies, positioning India as a reliable supplier in the global defence market.

(Source: ibef.org, pib,gov, zionmarketresearch.com, custommarketinsiight.com)

Indian medical devices market overview

India's medical devices sector is a rapidly growing market, currently valued at USD 11 billion, making it the fourth largest in Asia and among the top 20 globally. This dynamic market is expanding at an unprecedented rate, driven by large multinationals and small and medium enterprises (SMEs). The export sector has also seen significant growth, with a compound annual growth rate (CAGR) of 9-11% over the past five years, and exports are expected to reach approximately USD 10 billion by 2025.

Recognised as a sunrise sector under the Make in India Campaign of 2014, India's medical devices industry is poised for continued rapid growth and innovation. To support this growth, the Indian government has implemented several initiatives. Production linked incentive scheme, worth USD 400 million, has been launched to boost domestic production. Apart from this, policies such as the First National Medical Devices Policy, the National Policy on R&D and Innovation in the Pharma-MedTech sector, and the Scheme for Promotion of Research and Innovation in Pharma MedTech Sector (PRIP).

Growth drivers

Aerospace and Defence

Commercial aerospace: The commercial aerospace industry is experiencing significant growth, driven by an increase in aircraft deliveries, coupled with the replacement of aging aircraft, which has become a major growth driver.

Geopolitical tensions: The rising number of global and regional conflicts underscores the necessity for India to maintain up-to-date defence technology and equipment.

Indian defence sector: The Union Budget allocation for the Ministry of Defence (MoD) in 2023-24 is ₹5,93,537.64 crore, representing a 13% increase over the previous year. A record 75% of the defence capital procurement budget, approximately ₹1,20,000 crore, is earmarked for the domestic industry in 2023-24, up from 68% in the previous year.

Defence expenditure: Over the next 5-6 years, anticipated investments across all three forces include the modernisation of fighter aircraft, unmanned aerial vehicles (UAVs), radar programs, helicopters, combat vehicles, infantry combat vehicles (ICVs), missiles, tanks, submarines, and more. These initiatives are projected to create opportunities across the Indian and global defence companies, particularly in electronic warfare, avionics, radars, missiles, UAVs, and fighter craft. Rapid indigenisation adoption is expected, leading to significant domestic private sector catering to manufacturing and export opportunities supported by favourable policies.

(Source: Invest India)

Medical devices

Increasing healthcare expenditure: The Indian government's rising healthcare spending and focus on infrastructure development are driving demand for medical devices.

Growing demand for affordable healthcare: India's large population, with many living below the poverty line, necessitates affordable medical devices and equipment.

Government initiatives: Campaigns like "Make in India" aim to boost domestic manufacturing, attract foreign investment, and create a favorable business environment.

Increased focus on healthcare infrastructure development: The government's push for modern healthcare infrastructure, including hospitals and diagnostic centers, is fueling demand for medical devices.

Rising prevalence of chronic diseases: The increasing incidence of chronic diseases like diabetes, cardiovascular conditions, and cancer is driving demand for devices such as insulin pumps and diagnostic equipment.

Growing demand for minimally invasive procedures: The popularity of minimally invasive procedures in India is boosting demand for related medical devices, such as surgical instruments.

Increasing outsourcing from multinational companies: Multinational companies are increasingly outsourcing manufacturing to India, attracted by cost advantages, a skilled workforce, and a favorable business favourable business environment.

Risk management

Macroeconomic risk

Geopolitical tensions in certain parts of the world could result in macroeconomic instability

Mitigation: The company diversified its customer portfolios by increasing exposure to local and non-risk markets

Technology risk

Lack of advancement in technologies, could lead to redundancy affecting production efficiency. Also, the technology used in the product could become outdated.

Mitigation: The company engages in early discussions with customers on the possibility of products/solutions becoming obsolete and supporting the customer in the development of advanced product solutions. The company is consistently upgrading the production machineries as well as the skills of relevant employees to absorb the new technologies

Market risk

Existing and emerging competitors may increase market competition, leading to customer-driven price pressure.

Mitigation: The company focuses on growing business volume from repeat customers by offering multiple value propositions, maintaining timely delivery and quality, and providing design-led manufacturing solutions with a high focus on quality to stay ahead of the competition.

Operational risk

Compliance with stringent quality standards required by customers from different countries.

Mitigation: The company continuously upgrades the quality standards of both personnel and machinery, along with testing and validation capabilities. Strengthen relationships with key supply chain partners and implement robust internal and external audit processes to drive continuous improvement and excellence.

Talent risk

The risk of losing talent across various functions.

Mitigation: The company implements effective measures for talent identification, development, recognition, and compensation corrections to retain key talent within the organisation.

Financial risk

Ensuring liquidity and access to capital for operational needs and growth initiatives, and managing risks related to foreign currency volatility.

Mitigation: The company maintains a robust internal system for timely receivables collection. Strengthen financial results and bank relationships to secure necessary funds for growth. Ensure contract terms with customer advances are in the same currency, explore the use of Vostro accounts with foreign customers, and engage in forward contracts aligned with the hedging policy.

Cybersecurity risk

Protecting IT systems and data from potential cybersecurity breaches.

Mitigation: The company conducts regular audits with external experts to ensure continuous improvement in security processes. Implement advanced measures such as firewalls and antivirus software, and provide regular employee training to enhance cybersecurity awareness.

Financial analysis 2023-24

Balance Sheet

Borrowings for 2023-24 stood at ₹966.96 million compared to ₹857.1 million during 2022-23.

Total non-current assets for 2023-24 stood at ₹555.61 million compared to ₹403.44 million in 2022-23.

Net worth stood at ₹1,281.89 million as on 31 March, 2024 compared to ₹455.29 million as on 31 March, 2023, an increase of 181.55%.

Total assets increased by 42.93% to ₹3,087.18 million as on 31 March, 2024 from ₹2,159.86 million as on 31 March, 2023.

Inventories increased by 4.46% to ₹1,115.63 million as on 31 March, 2024 from ₹1,067.99 million as on 31 March, 2023.

Profit & loss statement

Revenues increased 35.26% from ₹2,345.24 million in 2022-23 to ₹3171.98 million in 2023-24.

EBITDA increased 59.5% from ₹205.7 million in 2022-23 to ₹328.1 million in 2023-24.

Profit after tax increased 109% from ₹73.43 million in 2022-23 to ₹153.47 million in 2023-24.

Depreciation and amortisation stood at ₹22.79 million in 2023-24 compared to ₹22.11 million in 2022-23.

Working capital management

Current assets as on 31 March, 2024 stood at ₹2,531.57 million compared to ₹1,756.42 million as on 31 March, 2023. Current ratio as on 31 March, 2024 stood at 1.52 compared to 1.17 as on 31 March, 2023. Inventories increased from ₹1,067.99 million as on 31 March, 2023 compared to ₹1,115.63 million as on 31 March, 2024. Current liabilities stood at ₹1,667.89 million as on 31 March, 2024 compared to ₹1,501.59 million as on 31 March, 2023. Cash and bank balances stood at ₹12.56 million as on 31 March, 2024 compared to ₹6.66 million as on 31 March, 2023.

Key ratios

Particulars	2023-24	2022-23
EBITDA/Turnover (%)	10.34	8.77
EBITDA/Net interest (%)	10.76	9.68
Debt-equity ratio	0.75	1.88
Return on capital employed (%)	0.18	0.19
Book value per share (₹)	101.86	121.67
Earnings per share (₹)	16.47	19.62

Board's Report

To,
The Members,
Vinyas Innovative Technologies Limited
(Formerly known as Vinyas Innovative Technologies Private Limited)

The Directors have pleasure in presenting the Twenty Third Annual Report on the business and operations of Your Company along with the audited financial statements, for the financial year ended 31 March, 2024.

1. FINANCIAL HIGHLIGHTS:

The financial results for the year ended 31 March, 2024 at standalone level is as under:

Particulars	STANDALONE	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Revenue from operations	31,719.87	23,452.40
Other Income	358.38	433.02
Total Income	**32,078.25**	**23,885.41**
Less: Total Expenses	29,990.96	22,876.47
Profit / (Loss) before tax and Exceptional Item	**2,087.29**	**1,008.94**
Exceptional Item	-	-
Profit/ (Loss) Before Tax	**2,087.29**	**1,008.94**
Less: Provision for Taxation	-	-
a) Current Tax	499.12	275.79
b) Deferred Tax	30.32	(22.19)
c) Tax for earlier years	23.19	21.01
Profit / (Loss) after tax	1,534.66	734.34
Earnings Per Share (EPS)		
Basic	16.47	19.62
Diluted	16.47	19.62

2. BUSINESS PERFORMANCE:

(A) STANDALONE RESULTS OF THE FINANCIALS

Your Company achieved a consolidated total income of ₹31,719.87 Lakh during the current year as against ₹23,452.40 lakhs in the corresponding financial year ended 31 March, 2023. EBITDA for the year stood at ₹3281.28 lakhs compared to ₹2057.39 lakhs for the previous corresponding year. The Profit after exceptional item and before tax for the period stood at ₹2,087.29 lakhs as against ₹1,008.94 lakhs during the corresponding year. Net Profit for the year stood at ₹1534.66 Lakhs in the current financial year compared to ₹734.34 lakhs in the previous year.

3. RESERVE & SURPLUS:

The Board of Directors have decided to retain the entire amount of profit under Retained Earnings. Accordingly, your Company has not transferred any amount to General Reserves for the year ended 31 March, 2024.

4. CHANGE IN THE NATURE OF BUSINESS:

The Company did not commence any new business nor discontinued/sold or disposed of any of its existing businesses and also did not hive off any segment or division during the year. Also, there has been no change in the nature of business carried on by the Company's associate during the year under review.

5. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the company, which have occurred between the end of the financial year and up to the date of the report.

6. DIVIDEND:

In order to conserve the resources, your Directors do not recommend any dividend on the equity shares of the Company for the financial year 2023-2024.

7. SHARE CAPITAL OF THE COMPANY:

A. AUTHORIZED SHARE CAPITAL

The authorized share capital of the Company as on 31 March, 2024 is ₹15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One crore fifty lakh) Equity Shares of ₹10/- (Rupees Ten only) each.

B. PAID-UP SHARE CAPITAL

The paid-up Equity share capital of the Company as on 31 March, 2024 is ₹12,58,47,260 (Twelve Crore fifty eight lakhs, forty seven thousand two hundred sixty only) divided into 1,25,84,726 (One Crore twenty five eighty four thousand seven hundred twenty six only) equity shares of ₹10/- (Rupees Ten Only)

PREFERENTIAL ALLOTMENT:

During the year, the Company had issued 8,93,927 Equity shares at a premium of ₹270.6 were allotted on preferential basis on 03 May, 2023 having a face value of ₹10/- each to its members and other new investors.

BONUS ISSUE:

During the year, the Company had issued 46,35,963 Bonus Equity Shares having a face value of ₹10/- each to the members in the proportion of 1 (One) Equity Shares for every 1 (One) Equity Share held by them on 28 July, 2023.

INITIAL PUBLIC OFFER (“IPO”) AND LISTING OF EQUITY SHARES

During the year under review, the Company conducted its initial public offering (IPO) of 33,12,800 equity shares, each with a face value of ₹10/-, in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. The shares were offered at a price of ₹165/- per share, which included a premium of ₹155/- per share.

The IPO was open for subscription from 27 September, 2023, to 3 October, 2023. The shares were allotted to applicants on 5 October, 2023, at the offer price of ₹165/- per share. The Company’s equity shares began trading on the SME Platform (EMERGE) of the National Stock Exchange of India Limited (NSE) from 6 October, 2023. Additionally, the Articles of Association have been updated to comply with the Listing Regulations and Stock Exchange requirements.

The Company vide its Prospectus dated 04 October, 2023 (“Prospectus”) raised ₹5466.12 lakhs from the initial public offer of its equity shares (the ‘IPO’).

Out of the proceeds of ₹5466.12 lakhs raised from the IPO, ₹5466.12 lakhs were utilized by the Company during the financial year 2023-24 for the purposes outlined in the prospectus dated 04 October, 2023.

8. CHANGE IN NAME OF THE COMPANY:

The Company’s name was changed from “VINYAS INNOVATIVE TECHNOLOGIES PRIVATE LIMITED” to “VINYAS INNOVATIVE TECHNOLOGIES LIMITED” effective 14 June, 2023, following its conversion from a Private Limited Company to a Public Limited Company.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of the Company as on 31 March, 2024 comprised of 6 Directors out of which 3 are Executive Directors and 3 are Non-Executive Independent Directors. The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an appropriate combination of Executive, Non-Executive and Independent Directors.

The Directors and Key Managerial Personnel of the Company are summarized below:

Sr. No	Name	Designation	DIN/PAN
1	Mr. Narendra Narayanan	Managing Director	00396176
2	Mr. Sumukh Narendra	Whole Time Director	08119005
3	Mr. T R Srinivasan	Whole Time Director	00379256
4	Mr. BS Ramakrishna Mudre	Independent Director	10049340
5	Ms. Deepa Prakash	Independent Director	09703921
6	Mr. Pradeep Vithoba Desai	Independent Director	07668334
7	Mr. Amitava Majumdar	Chief Financial Officer	ACWPM1672L
8	Mr. Subodh M R	Company Secretary & Compliance Officer	FCXPS0071K

During the year the following directors & KMP were appointed to the board.

- Mr. B S Ramakrishna Mudre (DIN: 10049340) appointed as Independent director w.e.f 19 August, 2023.
- Mr. Pradeep V Desai (DIN: 07668334) appointed as Independent director w.e.f 19 August, 2023.
- Ms. Deepa Prakash (DIN: 09703921) appointed as Independent director w.e.f 19 August, 2023.
- Mr Amitava Majumdar appointed as Chief Financial Officer w.e.f 28 July, 2023.
- Mr Subodh M R (M No A43878) as Company Secretary & Compliance Officer w.e.f 28 July, 2023.

During the year the following directors resigned from their directorship.

- Mrs. Meera Narendra (DIN:) Executive director resigned w.e.f 17 May, 2023
- Mr. Prakash S (DIN: 02262793) Non- Executive director resigned w.e.f 17 May, 2023
- Mrs. Usha Prakash (DIN: 02278196) Non-Executive director resigned w.e.f 17 May, 2023

Pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. Narendra Narayanan (DIN: 00396176) will retire by rotation at the Twenty Third (23rd) Annual General Meeting and being eligible, has offered himself for re-appointment.

None of the Directors of the Company are disqualified under Section 164(2) of the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL ('KMP'):

In terms of the provisions of Sections 2(51) and 203 of the Companies Act, 2013 ('the Act'), the following are the KMPs of the Company:

- Mr. Narendra Narayanan, Chairman & Managing Director
- Mr T R Srinivasan, Whole Time Director
- Mr Sumukh Narendra, Whole Time Director
- Mr. Amitava Majumdar, Chief Financial Officer
- Ms. Subodh M R, Company Secretary & Compliance Officer

10. DECLARATION BY INDEPENDENT DIRECTORS:

Directors who are independent Directors, have submitted a declaration as required under section 149(7) of the Act that each of them meets the criteria of Independence as provided in sub Section (6) of Section 149 of the Act and under regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and there has been no change in the circumstances which may affect their status as Independent Director during the year. In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA).

10. DETAILS OF MEETINGS OF BOARD OF DIRECTORS:

A. Board of Directors:

During the financial year 2023-24, 14(Fourteen) Meetings of the Board of Directors were held on 04-04-2023, 08-04-2023,03-05-2023, 26-05-2023, 08-06-2023, 17-06-2023, 28-07-2023, 30-08-2023, 21-09-2023, 26-09-2023, 04-10-2023, 05-10-2023, 28-10-2023, 29-01-2024.

The details of meetings attended by the Directors are as follows:

Sl. No.	Name of the Director	Number of Board Meeting attended
1	Narendra Narayanan	14
2	Sumukh Narendra	14
3	T R Srinivasan	14
4	BS Ramakrishna Mudre	7
5	Deepa Prakash	3
6	Pradeep V Desai	4
7	Meera Narendra	3
8	Prakash S	3
9	Usha Prakash	3

B. Audit Committee of Board of Directors:

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in overseeing the Board's responsibilities, an Audit Committee was formed as a sub-committee of the Board. The Committee is in line with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The terms of reference of the Audit Committee covers all matters specified in Part C of Schedule II of Regulation 18 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and also those specified in Section 177 of the Companies Act, 2013.

The composition and attendance of the members for the Audit Committee Meetings held during the year are as follows:

SL No	Name of Director	No of meeting Attended
1	BS Ramakrishna Mudre	3
2	Pradeep V Desai	2
3	Sumukh Narendra	3

The Meetings of Audit Committee were held on 28-08-2023, 28-10-2023, 10-01-2024.

C. Nomination and Remuneration Committee:

In compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013, the Board has constituted the "Nomination and Remuneration Committee".

The composition of the Nomination & Remuneration Committee & attendance in the meetings for the financial year 2023-24 was as follows:

SL No	Name of Director	No of meeting Attended
1	Pradeep V Desai	1
2	BS Ramakrishna Mudre	1
3	Deepa Prakash	1

D. Stakeholders Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has constituted the "Stakeholders' Relationship Committee"

The Stakeholders' Relationship Committee has been formed for the effective redressal of the investors' complaints and reporting of the same to the Board periodically.

The Stakeholders' Relationship Committee meeting was held on 28- 10-2023 during the year. The details of attendance of the Committee Members in the meeting are given below:

SL No	Name of Director	No of meeting Attended
1	Pradeep V Desai	1
2	BS Ramakrishna Mudre	1
3	T R Srinivasan	1

E. Corporate Social Responsibility Committee:

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Board has constituted Corporate Social Responsibility (CSR) Committee.

The details of attendance of the Committee Members in the meeting are given below:

SL No	Name of Director	No of meeting Attended
1	Deepa Prakash	1
2	BS Ramakrishna Mudre	1
3	Narendra Narayanan	1

10. EVALUATION OF BOARD:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 read with Part D of Schedule II to the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees, on the basis of attendance, contribution towards development of the Business and various other criteria as recommended by the Nomination and Remuneration Committees, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

In a separate meeting of Independent Directors, the performances of Executive and Non - Executive Directors were evaluated in terms of their contribution towards the growth and development of the Company. The achievements of the targeted goals were evaluated, the outcome of which was satisfactory for all the Directors of the Company.

11. VIGIL MECHANISIM:

Your Company has formulated and published a Whistle Blower Policy to provide a mechanism ("Vigil Mechanism") for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177 (9) of the Act. The Whistle Blower Policy (Vigil Mechanism) is uploaded on the Company web link: https://vinyasit.com/wp-content/uploads/2023/10/8.Vigil-Mechanism.pdf.

11. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

Your Company has formulated and published The Nomination & Remuneration Policy for Directors, key Managerial Personnel and Senior Management The provisions of this policy are in line with the provisions of Section 178(1) of the Act. The Policy is uploaded on the website of the company. The web link is https://vinyasit.com/wp-content/uploads/2023/10/6.Nomination-and-Remuneration-policy.pdf.

12. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134, sub-section 3(c) and sub-section 5 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state and confirm that:

a. In the preparation of the annual accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures;

b. Such Accounting Policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as on 31 March, 2024 and of the Company's profit or loss for the year ended on that date.

c. Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. The annual financial statements have been prepared on a Going Concern Basis.

e. Internal financial controls have been laid down to be followed by the company and that such internal financial controls were adequate and operating effectively.

f. Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statement across the organization. The same is subject to review periodically by the internal audit for its effectiveness. During the financial year, such controls were tested and no reportable material weaknesses in the design or operations were observed. The Statutory Auditors of the Company also test the effectiveness of Internal Financial Controls in accordance with the requisite standards prescribed by ICAI. Their expressed opinion forms part of the Independent Auditor's report.

Internal Financial Controls are an integrated 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 processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended. During the year, no reportable material weakness was observed.

14. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

As on 31 March, 2024, your Company does not have a subsidiary company, Joint venture and Associate company. Your company has not consolidated the accounts for current as well as previous financial statements.

15. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in the future.

16. EXTRACT OF ANNUAL RETURN:

The Annual return referred to in sub section (3) of Section 92 of the Companies Act, 2013, for the financial year ended 31.03.2024 will be placed on the website of the company at https://vinyasit.com/ after conclusion of the ensuring annual general meeting.

17. AUDITORS AND AUDITOR'S REPORT:

(A) STATUTORY AUDITOR

M/s. P. CHANDRASEKAR LLP, Chartered Accountants, Bangalore (Firm Registration No. 000580S/S200066), were appointed as the statutory auditors of the company for a period of five consecutive years in the Annual General Meeting of the Members held on 19th August, 2023 to hold office from the conclusion of the 22nd AGM of the Company till the conclusion of 27th AGM of the Company at a remuneration as mutually agreed upon by the Board of Directors.

(B) SECRETARIAL AUDITOR

Pursuant to Section 204(1) of the Companies Act, 2013 the Company is required to obtain Secretarial Audit Report and annex the same to the Boards Report. Accordingly the Board, at its meeting held on 28 July, 2023, appointed M/s. A A A & Co, Company Secretaries to conduct the Secretarial audit of the the Company for FY 2023– 24.

(C) COST AUDITOR

Pursuant to Section 148(1) of the Companies Act, 2013 the Company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are made and maintained.

Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is also required to get its cost accounting records audited by a Cost Auditor. Accordingly, the Board, at its meeting held on 28 July, 2023, appointed M/s. Mallikarjun, Cost Accountant to conduct the audit of the cost accounting records of the Company for FY 2023– 24.

18. AUDITOR'S REPORT AND SECRETERIAL AUDITOR'S REPORT:

Auditor's Report

The Auditors' Report for Financial Year 2024 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark, or disclaimer.

No fraud has been reported by the Auditor under section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

As required by Listing Regulations, the Auditor's Certificate on Corporate Governance is enclosed and forms a part of this report. The auditor's certificate for Financial Year ending on 31 March, 2024 does not contain any qualification, reservation or adverse remark except as stated in the report

Secretarial Auditor's Report

The Secretarial Audit Report is annexed as **Annexure III** and forms an integral part of this Report. The Secretarial Auditor has not expressed any qualifications in their Secretarial Audit Report for the year under review. Pursuant to regulation 24A of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 08 February, 2019, the Annual Secretarial Compliance Report forms part of this Report and is uploaded on the website of the Company.

19. CORPORATE SOCIAL RESPONSIBILITY POLICY:

During the year under review, the Company has constituted the Corporate Social Responsibility Committee (CSR Committee) in accordance with Section 135 of the Act, the details of which have been provided in the Corporate Governance Report, which forms part of this Annual Report.

The Annual Report on CSR activities as required to be given under the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been provided in Annexure-.

The Company has adopted its Corporate Social Responsibility Policy ("the CSR Policy") in line with the provisions of the Act. The CSR Policy deals with objectives, scope/areas of CSR activities, implementation and monitoring of CSR activities, CSR budget, reporting, disclosures etc. The policy on Corporate Social Responsibility is uploaded on the website of the Company.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the financial year, the Company has not given any loan or guarantee or provided security in connection with a loan to any other body corporate or acquired any shares by way of subscription, purchase of securities of another body corporate which would fall under the purview of Section 186 of the Companies Act, 2013.

21. PUBLIC DEPOSIT:

The Company has neither accepted nor renewed any deposits during the year.

22. RISK MANAGEMENT POLICY:

The Board of Directors of the Company have framed a Risk Assessment and Management Policy and are responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee exercises additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis

23. RELATED PARTIES TRANSACTIONS

All Related Party Transactions (RPT) that were entered into during the financial year were on an arm's length basis and in the ordinary course of business.

The disclosure of material RPT is required to be made under Section 134(3)(h) read with Section 188(2) of the Companies Act, 2013 in Form AOC 2. The details of the material RPT, entered into during the year by the Company as approved by the Board, is given in Annexure B to this Report.

Your directors draw your attention to Note No. 36 to the Standalone financial statements, which sets out related party disclosures.

24. INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and in view of recent amendments to the SEBI (Prohibition of Insider Trading) 2015 by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Policy on Determination of Legitimate purpose and the Policy on inquiry in case of leak or suspected leak of UPSI are adopted by the Company and are made available on the Website of the Company. Weblink: https://vinyasit.com/corporate-governance/

25. MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

26. CORPORATE GOVERNANCE REPORT

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, corporate governance provisions are not mandatory for the Company, as it is listed as a Small and Medium-sized Enterprise (SME)."

27. GENERAL SHAREHOLDER INFORMATION

A	AGM: Day, Date, Time and Venue	25th September, 2024, 11 AM, VC Mode
B	Financial Year	2023-24
C	Cut-off date for the purpose of determining shareholders for voting	18 September, 2024
D	Listing on Stock Exchanges	NSE- Emerge
E	Scrip Code	VINYAS
F	ISIN	INE0OLS01010
G	Payment of Listing Fee	The Company confirms that it has paid Annual Listing fees due to the stock exchange for the financial year 2023- 2024
H	Market Price Data (High, Low during each month in last financial year 2023-24)	*Table attached below
I	Registrar and share transfer agents	Skyline Financial Services Private Limited D-153 A| Ist Floor | Okhla Industrial Area, Phase - I New Delhi-110 020.

***Market Price Data**

Month	Low	High
October- 2023	313.50	493.95
November- 2023	415.00	528.50
December- 2023	420.05	790.00
January- 2024	630.60	730.95
February- 2024	551.55	699.90
March-2024	520.00	700.00

Distribution of Shareholding as on 31 March, 2024

Share Nominal Value (₹)	Number of Shareholders	% to Total Numbers	Shareholding Amount (₹)	% to Total Amount
Up To 5,000	1	0.12	4000.00	0.00
5001 To 10,000	503	58.90	4030000.00	3.20
10001 To 20,000	113	13.23	1816240.00	1.44
20001 To 30,000	40	4.68	967880.00	0.77
30001 To 40,000	39	4.57	1386760.00	1.10
40001 To 50,000	11	1.29	519760.00	0.41
50001 To 1,00,000	61	7.14	4519580.00	3.59
1,00,000 and Above	86	10.07	112603040.00	89.48
Total	**854**	**100.00**	**125847260.00**	**100.00**

Pattern of Shareholding as on 31 March, 2024

Sl. No.	Category	No. of shares held	Percentage of holding
1	Promoter and promoter group	3696802	29.38
2	Foreign Institutional Investors/ Mutual Funds	4000	0.03
3	Bodies Corporate	1251440	9.94
4	Individual shareholders holding nominal shares Capital up to ₹2 Lakhs	1325134	10.53
5	Individual Shareholders holding nominal Shares Capital in excess of ₹2 Lakhs	5446612	43.28
7	Hindu Undivided Family	275650	2.19
8	Trusts	61656	0.49
9	Non Resident Indians	57600	0.46
10	Any other	4,65,832	3.70
	Total	**1,25,84,726**	**100**

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complaints during the year 2023-24.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREGIN EXCHANGE EARNING AND OUTGO:

a. Conservation Of Energy

During the year the Company had strict control on wasteful electrical consumption. Lights and power were switched off wherever not necessary.

b. Technology Absorption

i. Efforts, in brief, made towards technology absorption during the year under review: NIL

ii. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.: Not Applicable

iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished : Not Applicable

iv. Expenditure incurred on Research and Development: NIL

c. Foreign Exchange Earnings And Outgo

Foreign Exchange Earnings : ₹12,772.41 Lakh
Foreign Exchange Outgo : ₹19,160.91 Lakh

30. PARTICULARS OF EMPLOYEES:

Pursuant to Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars of employees are annexed.

The information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the Annexure forming part of this Report. In terms of the proviso to Section 136 of the Act, the Report and Accounts are being sent to the Members excluding the aforesaid

31. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

The Company did not have any funds lying unpaid or unclaimed for a period of seven year Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

32. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on the Board Meetings and General Meeting.

33. DISCLOSERS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

There are no applications made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

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

As Company has not done any one-time settlement during the year under review hence no disclosure is required.

31. ACKNOWLEDGEMENTS:

The Directors wish to place on record their sincere appreciation for excellent support received from the Banks and financial institutions during the financial year under review. Your Directors also express their warm appreciation to all employees for their contribution to your Company's performance and for their superior levels of competence, dedication and commitment to Directors are also grateful to you, the Shareholders for the confidence you continue to repose in the Company..

For and on behalf of the Board of Directors

	T R SRINIVASAN	**NARENDRA NARAYANAN**
Place: Mysuru	*Whole Time Director*	*Managing Director*
Date: 28 August, 2024	DIN: 00379256	DIN: 00396176

ANNEXURE

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **A brief outline of the Company's CSR policy:**

   Company is committed to its stakeholders to conduct its business in a responsible manner that creates a sustained positive impact on the society. This means working with the underserved communities to improve the quality of their life, promoting education, and healthcare and preserve the ecosystem that supports the communities and the Company.

   In pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013 ("the Act"), The Company has a Corporate Social Responsibility Committee ("the CSR Committee"). This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

   In this year the focus of CSR activities was mainly towards promoting education, providing drinking water, Animal Welfare, Health and sanitary facility to the rural schools.

2. **Composition of the CSR Committee**

Name	Designation	Position
Ms. Deepa Prakash	Independent Director	Chairman
Mr. BS Ramakrishna Mudre	Independent Director	Member
Mr. Narendra Narayanan	Managing Director	Member

   The CSR policy is hosted on the website of the company at https://vinyasit.com/corporate-governance/

3. **The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:** Not Applicable.

4. **Average net profits of the Company as per Section 135(5):** ₹ 4,77,56,972 (Rupees Four Crore Seventy Seven lakh fifty six thousand nine hundred seventy two only)

5. a. **2% of the average Net Profit of the Company as per section 135(5):** ₹ 9,55,139 (Rupees Nine Lakh fifty five thousand one hundred thirty nine only)

   b. **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

   c. **Amount required to be set off for the financial year:** Nil

   d. **Total CSR obligation for the financial year (a+ b- c) =** ₹ 9,55,139/-

6. **CSR Amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year	Amount unspent	
	Total Amount transferred to Unspent CSR account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)
9,55,139	NIL	NIL

7. a. **Details of CSR amount spent against ongoing projects for the financial year:** Nil

b. Details of CSR amount spent against other than ongoing projects for the financial year

S. no	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes / No)	Location of the project			Amount spent for the project	Mode of Implementation – Direct
				State	District			
1	Promoting education	Education	Yes	Karnataka	Mysuru	1,61,070	No	Chiguru Vignana Samsthe
2	Sanitation facility	Sanitary	Yes	Karnataka	Mysuru	2,95,649	No	Chiguru Vignana Samsthe
3	Drinking water facility	Drinking water	Yes	Karnataka	Mysuru	55,000	No	Chiguru Vignana Samsthe
4	Animal- welfare	Animal welfare	No	Karnataka	Udupi	1,30,000	No	Govardhanagiri Trust
5	Promoting education	Education	Yes	Karnataka	BelagolaMandya Dist	50,000	No	Vishvakshema Trust
6	Pallative Care	Health	Yes	Karnataka	Mysuru	2,63,420	No	Swami Vivekananda Youth Movement
	Total					**9,55,139**		

c. Amount spent in Administrative Overheads: **Nil**

d. Amount spent in excess: **Nil**

e. Amount spent in Impact Assessment: **Not Applicable**

f. Total amount spent for the Financial Year- **9,55,139**

g. Excess amount for set off: **Nil**

h. Details of Unspent CSR amount for the preceding three financial years: **Nil**

i. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable.**

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in financial year: **Not Applicable**

9. Specify the reason(s) if the Company fails to spend the 2% of the average net profit as per Section 135(5):
Not Applicable.

Place: Mysuru
Date: 28 August, 2024

NARENDRA NARAYANAN
Managing Director
DIN: 00396176

T R SRINIVASAN
Whole Time Director
DIN: 00379256

ANNEXURE-

Particulars of Employees

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

I. Ratio of the remuneration of each Director to the median remuneration of Employees of the Company for the financial year 2023-24, the percentage increase in remuneration of Directors, Chief Financial Officer and Company Secretary during the financial year 2023-24.

Sl. No	Name of Director & KMP	Remuneration of Director / KMP for FY 2023-24	Remuneration of Director/ KMP for the FY 2022-23	% increase in Remuneration in the Financial Year 2023-24	Ratio of remuneration of each Director/ to median remuneration of employees
1	Narendra Narayanan (Managing Director)	73,91,190	62,80,980	17.68%	14.63:1
2	Sumukh Narendra (Whole time director)	43,24,040	28,62,600	51.05%	8.56:1
3	T R Srinivasan- Whole time director	26,31,770	20,42,880	28.83%	5.21:1
7	Subodh M R- (Company Secretary & Compliance officer)**	20,88,677	-		NA
8	Amitava Majumdar- (Chief Financial Officer-CFO)**	14,41,503	-		NA

** Appointed as CFO, and **Appointed as Company Secretary & Compliance Officer w.e.f. 28 July, 2023.

II. Percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year – as stated above in item No. (I).

III. Percentage increase in the median remuneration of employees in the financial year-

The Median remuneration of employees was ₹5,05,051/- during the year 2023-24 as compared to ₹4,21,347/- in the previous year. During the year under review, there is an increase of 19.86% in the median remuneration of employees due to increase in salary.

IV. Number of permanent employees on the rolls of company –

The Company has 405 permanent employees on its rolls as on 31 March, 2024.

V. Affirmation that the remuneration is as per the remuneration policy of the company.

During the period under review, the Company has paid the managerial remuneration as per the Special Resolution passed at the Extra Ordinary General Meeting of the Company on 15 July, 2023.

VI. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to the Company.

For and on behalf of the Board of Directors

Place: Mysuru
Date: 28 August, 2024

NARENDRA NARAYANAN
Managing Director
DIN: 00396176

T R SRINIVASAN
Whole Time Director
DIN: 00379256

Managing Director and Chief Financial Officer (CFO) Certificate

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

To
The Members,
Vinyas Innovative Technologies Limited
(Formerly known as Vinyas Innovative Technologies Private Limited)

We Managing Director and Chief Financial Officer of Vinyas Innovative Technologies Limited, do hereby certify that:

1. We have reviewed the financial statement and the cash flow statement for the year 2023-24 and to the best of our knowledge and belief:
    a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
    b. These statements present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
    a. Significant changes in internal control over financial reporting during the year;
    b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
    c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on Behalf of the Board of Directors of
Vinyas Innovative Technologies Limited

	Narendra Narayanan	**Amitava Majumdar**
Place: Mysuru	*Managing Director*	*Chief Financial Officer*
Date: 28 August, 2024	DIN: 00396176	

Certificate of Code of Conduct

Declaration regarding Code of Conduct pursuant Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members,
Vinyas Innovative Technologies Limited
(Formerly known as Vinyas Innovative Technologies Private Limited)

I, Narendra Narayanan, Managing Director of Vinyas Innovative Technologies Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31 March, 2024.

Narendra Narayanan
Managing Director
DIN: 00396176

Place: Mysuru
Date: 28 August, 2024

Certificate of Non-Disqualification of Directors

(Pursuant to clause C of Schedule V read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015).

To
The Members,
Vinyas Innovative Technologies Limited
(Formerly known as Vinyas Innovative Technologies Private Limited)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Vinyas Innovative Technologies Limited (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

SL No	Name of Director	Director Identification Number (DIN)	Date of original appointment in Company
		Executive Directors	
1	Mr Narendra Naraynan	00396176	18/11/2002
2	Mr T R Srinivasan	00379256	30/09/2003
3	Mr Sumukh Narendra	08119005	11/08/2020
4	Mrs Meera Narendra[1*]	00396184	25/09/2002
		Non-Executive Directors	
5	Mr Prakash S [2*]	02262793	30/09/2003
6	Mrs Usha Prakash [3*]	02278196	30/09/2003
7	Mr B S Ramakrishna Mudre	10049340	19/08/2023
8	Mr Pradeep Vithoba Desai	07668334	19/08/2023
9	Mrs Deepa Prakash	09703921	19/08/2023

[1]**Ceased to be a Director w.e.f 17 May, 2023 as Executive Director & [2 & 3] **Ceased to be a Director w.e.f 17 May, 2023 as Non-Executive Director.

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

Abhishek Bharadwaj A B
Practicing Company Secretary
FCS 8908, CP No 13649

Place: Mysuru
Date: 28 August, 2024

Annexure B

Form No. AOC-2

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

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

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

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. NO	Name(s) of the related party and nature of relationship	Nature of contracts/ arran gements/ transa ctions	Duration of the contracts / arrangements/ transactio ns	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:
1	Specvin Technologies Private Limited- Related through common Director	Trade advances	During the financial year	-	29.05.2024	57,98,000
2	Staysee Healthcare Products Private Limited- Related through common Director	Trade advances	During the financial year	-17,81,000	29.05.2024	-

BY ORDER OF THE BOARD OF DIRECTORS OF
VINYAS INNOVATIVE TECHNOLOGIES PRIVATE LIMITED

T R SRINIVASAN
Whole Time Director
DIN: 00379256

NARENDRA NARAYANAN
Managing Director
DIN:00396176

Date: 28.08.2024
Place: Mysuru

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2024

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

To,
The Members,
VINYAS INNOVATIVE TECHNOLOGIES LIMITED
PLOT NO. 19, SY NO. 26 & 273-P, 3RD PHASE KOORGALLI INDUSTRIAL AREA,
ILAWALA HOBALI, MYSORE, MYSORE, KARNATAKA, INDIA, 570018

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **VINYAS INNOVATIVE TECHNOLOGIES LIMITED bearing CIN: L26104KA2001PLC028959** (hereinafter called The Company). Secretarial Audit was conducted in the 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 books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31 March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **[Not Applicable]**;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) 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, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28 October, 2014); **[Not Applicable]**;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable]**;
- (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 clients **[Not Applicable]**;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not Applicable]; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not Applicable];
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) The other Laws as applicable specifically to the Company are as under,

- a) Indian Stamp Act, 1899 and State Stamp Acts.
- b) The Contract Labour (R & A) Act, 1970 & Karnataka Rules 1974.
- c) The Inter State Migrant workmen (Regulation of Employment & Conditions of Services Act, 1970 & Karnataka Rules 1981.
- d) The Child Labour (Prohibition & Regulation) Act, 1986 & Karnataka Rules 1977
- e) The Minimum Wages Act, 1948 & Karnataka Rules 1958
- f) The Payment of Wages, 1936 & Karnataka Rules 1963
- g) The Equal Remuneration Act, 1976 & Rules 1976
- h) The Payment of Bonus Act, 1965 & Rules 1975

i) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

j) The Employees' State Insurance Act, 1948

k) The Employees' Compensation Act, 1923 & Rules 1966

l) The Maternity Benefits Act, 1961 & Karnataka Rules 1966

m) The Karnataka Labour Welfare Fund Act, 1963 & Rules 1968

n) The Karnataka Industrial Establishment (National & Festival Holidays) Act, 1963 & Rules 1973

o) The Industrial Employment (Standing Orders) Act, 1946 and Rules 1961

p) The Water (Prevention and Control of Pollution) Act, 1974

q) The Water (Prevention and Control of Pollution) Cess Act, 1977

r) The Air (Prevention and Control of Pollution) Act, 1981

s) The Environment (Protection) Act, 1986

t) The Hazardous Wastes (Management and Handling) Rules, 1989

u) The Factories Act, 1948

v) The Karnataka Tax on Professions, Trades, Callings And Employment Act, 1976

w) The Industrial Disputes Act, 1947 & Karnataka Rules, 1983

x) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

y) Information Technology Act, 2005

z) The Export Oriented Unit (EOU) Scheme 1981

aa) The Industries (Development and Regulation) Act, 1951

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

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1 October, 2017 (Revised versions).

(ii) The Listing Agreements entered into by the Company **[Not Applicable]**;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review there were no changes in the composition of the Board of directors.

Adequate notice is given to all directors to schedule the Board 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 Board of Directors duly recorded and signed by the Chairman, the decisions were Unanimous and no dissenting views have been recorded.

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

During the year under review, the company has undertaken;

i. Preferential Allotment to the members and new investors to the extent 25.08 Cr.

ii. Bonus Issue to the members at the ratio of 1:1

iii. Public issue by way of Initial Public Offer raising funds to the extent of INR 54.66 CR

And there were no instances of:

iv. Redemption / buy-back of securities

v. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

vi. Merger / amalgamation / reconstruction, etc. or

vii. Foreign technical collaborations

For AAA & Co
Company Secretaries

Abhishek Bharadwaj A B
Practicing Company Secretary
FCS No: 8908
C P No.: 13649
UDIN: F008908F000494943

Date: 30.05.2024
Place: Mysuru

Note: our report of even date is to be read along with our letter of even date which is annexed as Annexure – 1 and forms an integral part of this report.

Annexure – 1

To,
The Members,
VINYAS INNOVATIVE TECHNOLOGIES LIMITED
PLOT NO. 19, SY NO. 26 & 273-P, 3RD PHASE KOORGALLI INDUSTRIAL AREA,
ILAWALA HOBALI, MYSORE, MYSORE, KARNATAKA, INDIA, 570018

My report of even date is to be read along with this letter.

Management's Responsibility

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.

Auditor's Responsibility

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for our opinion.
3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimers

1. 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.

CS Abhishek Bharadwaj A B
Practising Company Secretary
FCS No.: 8908
C P No.: 13649

Place: Mysuru
Date: 30.05.2024

Independent Auditor's Report

TO THE MEMBERS OF
VINYAS INNOVATIVE TECHNOLOGIES LIMITED
(Formerly Known as VINYAS INNOVATIVE TECHNOLOGIES PRIVATE LIMITED)

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements M/S.VINYAS INNOVATIVE TECHNOLOGIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, statement of Cash Flows for the year ended on that date and 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the Profit total comprehensive income, the 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 Act (SAs). 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics of the Institute of Chartered Accountants of India. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matter	How our audit addressed the key audit matter
1.	**Evaluation of uncertain Tax positions** As described in the summary of Significant accounting policies in note no 2.2 Significant judgment is required in determining the provision for income taxes both current and deferred as well as the assessment of the provisions for uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements.	Obtained details of completed tax assessments and demands for the year ended March 31, 2024 from management. Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.
2.	**Trade receivables** Trade receivables are recognized at their anticipated realizable value which is the original invoiced amount Valuation of trade receivables is a key audit matter in the audit, due to size of the trade receivables balance and the high level of management judgement used in determining the impairment provision	For trade receivables and managements estimation for trade receivables, impairment provisions, our key audit procedure includes the following: We obtained management confirmation on trade receivables outstanding We analyzed the ageing of trade receivables and We obtained the list of long outstanding receivables of these through enquiring with the management and by obtaining sufficient corroborative evidences to support the conclusions.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India. 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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.
- 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in

the Annexure A a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

   (a) The Company does not have any pending litigations which would impact its financial position other than reported in note no 39.

   (b) The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   (c) There were no funds which required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

   (d) (i) The Management has represented that, to the best of it's knowledge and belief no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (ii) The Management has represented, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (iii) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   (e) No dividend has been proposed in the previous year, declared or paid by the Company during the year.

   (f) Based on our examination, which included test checks, the Company has used accounting software(s) for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditors' report under Section 197(16) of the Act: In our opinion and according to the information and explanation given to us the remuneration paid by the Company its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.164 (2) of the Act

For M/s P. CHANDRASEKAR LLP
Chartered Accountants
Firm Registration No. 000580S/S200066

P. Chandrasekaran
Partner
Membership No.026037
UDIN: 24026037BKAREV6552

Place: Bengaluru
Date: 10.06.2024

Annexure to the Independent Auditors' Report

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

i. a) The Company has maintained records of its fixed assets. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of Five years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The company has purchase cum sale deed for purchase of land from KIADB. The title deed in not in the name of the company but the company has possession certificate in the name of the Company.

Description of the property	Gross Carrying Value	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range where appropriate	Reasons for not held in the name of the company
Land	₹99.39 Lakhs	KIADB	No	NA	Possession certificate is in the name of the company. Govt has not yet fixed the final price and stamp duty on the Land allotted

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. a) Physical verification of inventory has been conducted at reasonable intervals by the management and material discrepancies noticed if any have been properly dealt with in the books of account.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

iii. In our opinion and according to the information and explanations given to us, the company has not made investments in , nor provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability partnerships or any other parties, Accordingly, the provision of paragraph 3 (iii) (a),(b),(c),(d),€ and (f) of the order are not applicable

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, investments and guarantees if any made during the year.

v. The Company has not accepted any deposit or amount which are deemed to be deposits except the advances received from the customers in the regular course of business against the sale order. Hence, reporting under clause (v) of the Order is not applicable.

vi. We broadly reviewed the books maintained by company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section Section 148(1) of the Act in respect of the activities provided by it and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However we have not carried out a detailed examination of the records with view to determine whether there are accurate or complete.

vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities except given below.

Nature of the Statute	Nature of the Dues	Financial Year	Amount in ₹
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2022-23	1,98,650
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2021-22	1,72,250
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2020-21	22,300
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2018-19	16,100
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2017-18	8,190
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2016-17	10
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2012-13	2,40,120
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2011-12	26,960
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2010-11	70,700
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2009-10	3,940
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2008-09	3,62,360
Income Tax Act, 1961	TDS - interest u/s 201 / late filing fee u/s 234E	2007-08	13,250

b. According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute except below.

Nature of the Statute	Nature of the Dues	Amount in ₹	Period to which Amount Relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax	23,52,130	AY 2015-16	CIT (Appeals)
Income Tax Act 1961	Income Tax	24,04,160	AY 2019-20	CIT (Appeals)
Karnataka Value Added Tax 2003	Value Added Tax	2,40,297	FY -2008-09	Hon'ble Supreme Court

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any authority.

(c) The Company has not taken any new term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

x. (a) The Company had raised moneys by way of initial public offer during the year and Based on examination of the books and records of the Company and according to the information and explanations given to us the funds were applied for the purposes for which they were raised.

(b) During the year the Company has raised money by way of preferential allotment/private placement of shares and Based on examination of the books and records of the Company and according to the information and explanations given to us the funds were applied for the purposes for which they were raised

xi. a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) We have taken into consideration the whistle blower complaints received by the Company if any during the year while determining the nature, timing and extent of our audit procedures.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are 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, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

xvii. The Company has not incurred any cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year, hence this clause is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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 the 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. In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there is no unspent amount with second proviso to sub-section (5) of section 135 of the said Act, accordingly clause 3(xx)(a) of the order is not applicable

b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. 3(xx)(b) of the Order are not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For M/s P. CHANDRASEKAR LLP
Chartered Accountants
Firm Registration No. 000580S/S200066

P. Chandrasekaran
Partner
Membership No.026037
UDIN: 24026037BKAREV6552

Place: Bengaluru
Date: 10.06.2024

Annexure - B to the Auditors' Report

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 VINYAS INNOVATIVE TECHNOLOGIES LIMITED ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s P. CHANDRASEKAR LLP
Chartered Accountants
Firm Registration No. 000580S/S200066

P. Chandrasekaran
Partner
Membership No.026037
UDIN: 24026037BKAREV6552

Place: Bengaluru
Date: 10.06.2024

Balance Sheet

(All amount in ₹ Lakh unless otherwise stated)

(₹ in Lakh)

Particulars	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
Non-current Assets			
Property, Plant and Equipment	2	4,212.37	1,296.87
Right-of-use Assets	3	0.00	23.34
Goodwill	4	-	-
Other Intangible Assets		-	-
Capital Work In Progress	5	-	305.32
Financial assets	6		
(i) Investments	6.1	10.08	10.08
(ii) Loans	6.2	24.95	37.64
(iii) Other Financial Assets	6.3	1,247.76	2,269.90
Deferred Tax Assets (Net)	29	60.95	91.27
Other Non-current Assets	7	-	-
Total Non-current Assets		**5,556.12**	**4,034.41**
Current assets			
Inventory	8	11,156.32	10,679.92
Financial Assets	9		
(i) Investments		-	-
(ii) Trade Receivables	9.1	8,805.55	2,095.11
(iii) Cash and Cash Equivalents	9.2	125.60	66.61
(iv) Bank balances other than (iii) above	9.2	1,197.49	379.17
(v) Other Financial Assets	9.3	27.41	9.52
Current Tax Assets (Net)	10	-	-
Other Current Assets	11	4,003.29	4,333.90
Total Current Assets		**25,315.67**	**17,564.23**
Total Assets		**30,871.79**	**21,598.64**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	1,258.47	374.20
Other Equity	13	11,560.50	4,178.79
Total Equity		**12,818.97**	**4,552.99**
Liabilities			
Non-current Liabilities			
Financial Liabilities	14		
(i) Borrowings	14.1	1,212.12	1,894.06
(ii) Lease Liabilities	3	-	25.87
(iii) Other Financial Liabilities	14.2	-	-
Long Term Provisions	15	161.72	109.85
Total Non-current Liabilities		**1,373.84**	**2,029.78**
Current Liabilities			
Financial Liabilities	16		
(i) Borrowings	16.1	8,457.43	6,676.95
(ii) Lease Liabilities	3	-	-
(iii) Trade Payables	16.2		
(a) total outstanding dues of Micro Enterprises and Small Enterprises		602.79	18.11
(b) total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		4,388.08	3,557.74
(iv) Other Financial Liabilities	16.3	1,609.95	1,065.92
Other Current Liabilities	17	1,013.08	3,312.85
Short Term Provisions	18	108.52	108.51
Current Tax Liabilities (Net)	19	499.12	275.79
Total Current Liabilities		**16,678.98**	**15,015.87**
Total Liabilities		**18,052.82**	**17,045.65**
Total Equity and Liabilities		**30,871.79**	**21,598.64**

The accompanying notes 1 to 43 are an integral part of the Standalone Financial Information

In terms of our report attached

For P Chandrasekar LLP
Chartered Accountants
Firm registration number: 000580S/S200066

P CHANDRASEKARAN
Partner
Membership Number: 026037

Place: Bengaluru
Date: 29-05-2024

for and on behalf of the Board of Directors of
Vinyas Innovative Technologies Limited

NARENDRA NARAYANAN
Managing Director
DIN: 00396176

T R SRINIVASAN
Director
DIN: 00379256

AMITAVA MUJUMDAR
Chief Financial Officer

SUBODH M R
Company Secretary & Compliance Officer
M. No. : A43878

Place: Mysuru
Date: 29-05-2024

Standalone Statement of Profit and Loss

(All amount in ₹ Lakh unless otherwise stated)

(₹ in Lakhs)

Particulars	Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income			
Revenue from operations	20	31,719.87	23,452.40
Other income	21	358.38	433.02
Total income		**32,078.25**	**23,885.41**
Expenses			
Purchase of Stock-in-trade	22	-	-
Cost of Materials Consumed	23	24,439.57	17,947.23
Changes in Inventories of Work in Progress, Stock-in-trade and finished goods	24	890.28	1,162.34
Employee Benefits Expense	25	2,103.34	1,640.77
Finance Costs	26	1,324.46	1,260.32
Depreciation and amortisation expense	27	227.91	221.14
Other expenses	28	1,005.41	644.66
Total expenses		**29,990.96**	**22,876.47**
Profit/(Loss) before exceptional items and tax		**2,087.29**	**1,008.94**
Exceptional items (net)		-	-
Share of Loss From Associate Company			
Profit/(Loss) before tax		**2,087.29**	**1,008.94**
Tax Expenses			
Current tax	29	499.12	275.79
Tax for earlier years	29	23.19	21.01
Deferred tax charge	29	30.32	(22.19)
Total tax expense		**552.63**	**274.61**
Profit/(Loss) for the period / year		**1,534.66**	**734.34**
Profit as per Audited Financials (PAT)			
Difference			
Other Comprehensive income			
(i) Items that will not be subsequently reclassified to the statement of the profit and loss			
Remeasurement gain/(loss) of defined benefit plans		3.49	(18.78)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
(iii) Items that will be reclassified subsequently to profit or loss			
Change in fair value of investment carried at fair value through other comprehensive income			
(iv) Income tax relating to items that will be reclassified to profit or loss			
Other Comprehensive Income/ (Loss) for the period/year		**3.49**	**(18.78)**
Total Comprehensive Income / (Loss) for the period / year		**1,538.15**	**715.56**
Earnings/(loss) per Equity Share (Face value of Re. 10/- each	30		
Basic (In ₹)		16.47	19.62
Diluted (In ₹)		16.47	19.62

The accompanying notes 1 to 43 are an integral part of the Standalone Financial Information
In terms of our report attached

For P Chandrasekar LLP
Chartered Accountants
Firm registration number: 000580S/S200066

P CHANDRASEKARAN
Partner
Membership Number: 026037

Place: Bengaluru
Date: 29-05-2024

for and on behalf of the Board of Directors of
Vinyas Innovative Technologies Limited

NARENDRA NARAYANAN
Managing Director
DIN: 00396176

T R SRINIVASAN
Director
DIN: 00379256

AMITAVA MUJUMDAR
Chief Financial Officer

SUBODH M R
Company Secretary & Compliance Officer
M. No. : A43878

Place: Mysuru
Date: 29-05-2024

Statement of Cash Flows

(All amount in ₹ Lakh unless otherwise stated)

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Cash flow from operating activities		
Profit before tax for the year	2,087.29	1,008.94
Adjustments for:		
Depreciation and amortisation expense	227.91	221.14
Finance costs	1,324.46	1,260.32
Net gain on disposal of property, plant and equipment	(1.88)	-
Income from redemption of investments	(1.64)	-
Bad debts written off	72.40	5.74
Interest income on financial assets measured at amortised cost	(1.16)	(2.26)
Fair value gain on financial assets measured at fair value through other comprehensive income	3.49	(18.78)
Fair value gain on financial assets measured at fair value	-	-
Operating profit before working capital changes	**3,710.87**	**2,475.11**
Working capital movements:		
Adjustment for (increase) / decrease in operating assets:		
(Increase)/Decrease in trade receivables	(6,782.84)	3,606.32
(Increase)/Decrease in current and non-current financial assets	1,004.24	32.75
(Increase)/Decrease in current and non-current other assets	330.61	(3,735.97)
(Increase)/Decrease in loans	12.68	(3.13)
(Increase)/Decrease in Inventories	(476.40)	580.07
Adjustment for increase / (decrease) in operating liabilities:		
Increase/(Decrease) in trade payables	1,415.02	(2,374.80)
Increase/(Decrease) in current and non-current financial liabilities	544.03	308.46
Increase/(Decrease) in current and non-current other liabilities	(2,299.76)	364.65
Increase/(Decrease) in current and non current provisions	51.88	50.47
Increase/(Decrease) in current tax	223.33	151.97
Cash generated from operations	**(2,266.34)**	**1,455.89**
Direct taxes (paid)/refund	(522.31)	(296.80)
Net cash from operating activities (A)	**(2,788.65)**	**1,159.10**
Cash flow from investing activities		
Purchase of property, plant and equipment including capital advances	(3,120.68)	(46.43)
Movement in Capital Work in Progress	305.32	(305.32)
Proceeds from sale of property, plant and equipment	2.50	-
Proceeds/(Investments) from long-term investment in equity instruments, mutual funds and bonds	1.64	6.63
Interest received	1.16	2.26
Net cash flow used in investing activities (B)	**(2,810.07)**	**(342.86)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including Premium)	7,274.48	700.00
Proceeds/(repayment) of long-term borrowings	(681.94)	(285.42)
Proceeds/(repayment) of Short-term borrowings	1,780.49	(162.00)
Repayment of lease liabilities	(25.87)	(11.97)
Expenses for Raising Capital	(546.65)	-
Dividend Paid	-	(7.31)
Finance costs paid	(1,324.46)	(1,260.32)

Statement of Cash Flows

(All amount in ₹ Lakh unless otherwise stated)

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Net cash flow used in financing activities (C)	**6,476.04**	**(1,027.02)**
Net increase in cash and cash equivalents (A+B+C)	**877.32**	**(210.79)**
Cash and cash equivalents at the beginning of the year	445.78	656.56
Cash and cash equivalents at the end of the year	**1,323.10**	**445.78**

Notes:

1. Component of cash and cash equivalents

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Cash on hand	0.69	1.05
Balance with banks		
In current accounts	4.50	7.76
In deposit accounts	1,317.90	436.97
Total cash and cash equivalents	**1,323.10**	**445.78**

The accompanying notes 1 to 43 are an integral part of the Standalone Financial Information

In terms of our report attached
For P Chandrasekar LLP
Chartered Accountants
Firm registration number: 000580S/S200066

P CHANDRASEKARAN
Partner
Membership Number: 026037

Place: Bengaluru
Date: 29-05-2024

for and on behalf of the Board of Directors of
Vinyas Innovative Technologies Limited

NARENDRA NARAYANAN
Managing Director
DIN: 00396176

T R SRINIVASAN
Director
DIN: 00379256

AMITAVA MUJUMDAR
Chief Financial Officer

SUBODH M R
Company Secretary & Compliance Officer
M. No. : A43878

Place: Mysuru
Date: 29-05-2024

Standalone Statement of Changes in Equity

(All amount in ₹ Lakh unless otherwise stated)

A. Equity share capital (refer note 12)

Particulars	No of shares	Amount
Balance as at 31 March, 2023	37.42	374.20
Changes in equity share capital during the period	88.43	884.27
Balance as at 31 March, 2024	**125.85**	**1,258.47**

B. Other equity

Particulars	Share Application money pending allotment	Reserve and Surplus				Other comprehensive income	Total other equity
		Securities Premium	General Reserve	Capital Redemption Reserve	Retained Earnings	Re-measurement gains / (losses) on defined benefit plans	
Balance as at 1 April, 2022	-	894.20	184.45	-	1,785.49	(93.59)	2,770.54
Add/(Less): Profit / (Loss) for the year		-			734.34		734.34
Add: Premium on shares issued during the year		-					-
Add/(Less): Transfer from share options outstanding account to general reserve							-
Add: Amounts recorded on grants during the year							-
Add: Deferred stock compensation expense							-
Add/(less): Additions during the year	700.00			14.87			714.87
Add/(less): Adjustments on account of FA restatement							-
Less: Transferred to Capital Redemption Reserve			(14.87)				(14.87)
Less: Dividend paid- Equity					(1.86)		(1.86)
Less: Dividend paid- Preference shares					(5.45)		(5.45)
Re-measurement gains / (losses) on defined benefit plans						(18.78)	(18.78)
Balance as at 31 March, 2023	**700.00**	**894.20**	**169.58**	**14.87**	**2,512.51**	**(112.37)**	**4,178.79**

Standalone Statement of Changes in Equity

(All amount in ₹ Lakh unless otherwise stated)

Particulars	Share Application money pending allotment	Reserve and Surplus				Other comprehensive income	Total other equity
		Securities Premium	General Reserve	Capital Redemption Reserve	Retained Earnings	Re-measurement gains / (losses) on defined benefit plans	
Balance as at 1 April, 2023	**700.00**	**894.20**	**169.58**	**14.87**	**2,512.51**	**(112.37)**	**4,178.79**
Add/(Less): Profit / (Loss) for the year		-			1,534.66		1,534.66
Add: Premium on shares issued during the year		7,553.81					7,553.81
Less: Utilised for Issue of Bonus Shares		(448.73)		(14.87)			(463.60)
Less: Utilised towards Expenses for Raising Capital		(546.65)					(546.65)
Add/(Less): Transfer from Share Options Outstanding account to General Reserve							-
Add: Amounts recorded on grants during the year							-
Add: Deferred stock compensation expense							-
Add/(Less): Additions during the year	(700.00)						(700.00)
Add/(Less): Adjustments on account of FA restatement							-
Less: Transferred to Capital Redemption Reserve							-
Less: Dividend paid- Equity					-		-
Less: Dividend paid- Preference shares					-		-
Re-measurement gains / (losses) on defined benefit plans						3.49	3.49
Balance as at 31 March, 2024	**-**	**7,452.63**	**169.58**	**-**	**4,047.17**	**(108.88)**	**11,560.50**

The accompanying notes 1 to 43 are an integral part of the Standalone Financial Information

In terms of our report attached

For P Chandrasekar LLP
Chartered Accountants
Firm registration number: 000580S/S200066

P CHANDRASEKARAN
Partner
Membership Number: 026037

Place: Bengaluru
Date: 29-05-2024

for and on behalf of the Board of Directors of
Vinyas Innovative Technologies Limited

NARENDRA NARAYANAN
Managing Director
DIN: 00396176

T R SRINIVASAN
Director
DIN: 00379256

AMITAVA MUJUMDAR
Chief Financial Officer

SUBODH M R
Company Secretary & Compliance Officer
M. No. : A43878

Place: Mysuru
Date: 29-05-2024

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

1.0 Corporate information

Vinyas Innovative Technologies Limited ("Vinyas" or "the Company") is a public limited company incorporated in 2001. The Company's Identification Number (CIN) is L26104KA2001PLC028959.

Vinyas is a provider of design, engineering and electronics manufacturing services catering to global Original Equipment Manufacturers and Original Design Manufacturers in Electronic Industry.

The Company's shares are listed on SME Platform (EMERGE) of National Stock Exchange of India Limited ("NSE"). The registered office of the Company is located at Plot No. 19, Survey No. 26 & 273-P, 3rd Phase, Koorgalli Industrial Area, Ilawala Hobali, Mysore 570 018, Karnataka, India.

The Company has been registered under the provisions of Micro, Small and Medium Enterprise Development Act ("MSMED") Act, 2006 and has obtained the Udyam registration number ("URN") UDYAM - KR– 22-0009039 on 02 July, 2021.

The standalone IND-AS financial statements for the year ended March 31, 2024, were approved by the Board of Directors and authorised for issue with a resolution of the directors on 29 May, 2024.

2.0 Material Accounting Policy Information

The material accounting policies applied by the Company in the preparation of its standalone Ind AS financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these standalone Ind AS financial statements, unless otherwise indicated.

2.1 Basis of preparation of Financial Statements

a) Statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements of the Company comprises of the balance sheet as at March 31, 2024, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year ended March 31, 2024, and the statement of significant accounting policies, and other explanatory information relating to such financial periods.

The Company has prepared the standalone IND-AS financial statements on the basis that it will continue to operate as a going concern. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hit hereto in use.

b) Functional and presentation currency

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates.

All amounts disclosed in the Financial statements and notes have been rounded off to the nearest "Lakh" with two decimals, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the group have been reflected as "0" in the relevant notes to the financial statements.

c) Basis of Measurement

The Financial statements have been prepared on accrual basis and under historical cost convention, except for certain financial assets and liabilities which are measured at fair value. (refer accounting policy regarding financial instruments), which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Revenue Recognition

Revenue from Sale of Assembled Populated Circuit Boards and Contract manufacturing is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria, must also be met before revenue is recognized:

Sale of Goods/Services –

Revenue from the sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer on Ex-works, CIF or delivery of the goods. In case of Services, it is recognized on rendering of service. Export sales include sale of goods to SEZ units/EOU units. Revenue from Contract manufacturing service is recognized on rendering of services.

Interest –

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the Statement of Profit and Loss.

Other Income-

Revenue from sale of scripts has been included under the head "Other income". The interest income is recognised on time proportionate basis.

2.4 Inventories

Inventories comprising of Raw materials, consumables and spares are valued at the lower of cost and net realisable value. Cost is ascertained on a First in First out (FIFO) basis.

Work-in-progress is valued at cost of material including assembly cost and overheads as determined by the company.

Finished goods and semi-finished products are valued at lower of cost and net realisable value.

Net realizable value is estimated on selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.5 Property, plant and equipment

Tangible assets are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation is provided on all assets on the straight-line basis using the rates arrived at based on the useful lives estimated by the management. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

In respect of accounting periods commencing on or after 7th December, 2006, exchange differences arising on reporting of the long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset, if these monetary items pertain to the acquisition of a depreciable fixed asset.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Plant and Machinery is used for 3 shifts and depreciation is calculated at the higher rate attributable to the use of the asset as per Companies Act.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

Useful lives estimated by the management in years:

Description of Assets	Useful Life of Years
Office & Factory Building	30
Plant and Machinery	7.5
Electrical Installations	10
Office Equipment	5
Furniture & Fixtures	10
Motor Vehicles	8
Computers	3
Servers	6

Amortization of tools and stencils

Stencils and tools have been classified as current assets and amortization is provided as per the amortization policy of the company. The rate of amortization is at 20% considering useful life of 5 years and scrap value as Nil.

2.6 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of discounted cash flows of next ten years projections estimated based on current prices.

2.7 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowings 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 capitalized as a part of the cost of the respective asset. All other borrowing costs are expenses in the period they occur.

2.8 Employee benefits

(i) **Provident Fund:** Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the Statement of Profit and Loss for the year when the contributions are due.

Defined contribution plans:

The Company's contribution in the form of provident fund is considered as a defined contribution plan and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans:

For defined benefit plans in the form of gratuity benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance Sheet date and the same is funded with LIC of India. Re-measurement, comprising actuarial gains or losses, the effect of the changes to the asset ceiling (if applicable) and return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Actuarial gains and losses and return on plan assets are recognised in the Statement of Other comprehensive income in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailments gains and losses are accounted as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognizes at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

The company has also obtained an insurance coverage as mandated by Karnataka Compulsory Gratuity Insurance Rules, 2024 ('Rules') (No: LD 397 LET 2023) which prescribe the requirement for employers to obtain a valid insurance policy for the employer's liability towards payment of gratuity to eligible employees as per the Payment of Gratuity Act 1972 ("Act").

Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits:

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date, using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

2.9 Foreign exchange transactions

Initial recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses during the year.

Exchange differences, in respect of accounting periods commencing on or after 7th December, 2006, arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset.

3.0 Taxation

Income-tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting that tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is a reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

3.1 Earnings per share

Basic earnings per share amounts are computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.2 Provisions

A provision is recognized if, as a result of a past event; and that the company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligations. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

3.3 Impairment

a. Financial assets:

Financial assets (other than at fair value) The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired. Ind AS 109 ('Financial Instruments') requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on trade receivables (net of billing in excess) and Contract assets. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company provides for impairment upon the occurrence of the triggering event.

b. Non-financial assets

Intangible assets and property, plant and equipment

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

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-inuse) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

3.4 Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

3.5 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 and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial Assets: Company's financial assets broadly comprise the following:

(a) **Current financial assets:** Investments, trade receivables, cash and cash equivalents, loans and advances, other short term receivables

(b) **Non-current financial assets:**

Investments, other long-term receivables and deposits.

Initial recognition and measurement:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through Profit and loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through Profit and loss are recognised immediately in statement of profit and loss.

Subsequent measurement:

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

(a) Financial assets at amortised cost Financial assets are subsequently measured at amortised cost, if both the below conditions are met:

(b) 1. These financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows

2. Contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial recognition, these financial assets are subsequently measured using the effective interest rate (EIR) method, less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, recognised in the statement of Profit and loss. This category generally applies to trade and other receivables.

3. (b) Financial Assets at fair value through other comprehensive Income (FVTOCI) Financial assets are measured at fair value through other comprehensive income if both the below conditions are met:

1. These financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates and selling financial assets

2. These assets contractual cash flows represent solely payments of principal and interest on the principal amount outstanding The Company does not own any financial asset classified at FVTOCI.

(c) Financial assets at fair value through Profit and loss (FVTPL) This is a residual category. Any financial assets which do not fall under the category of financial assets measured at amortised cost or FVTOCI are classified as FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with gain or loss arising on remeasurement recognised in statement of Profit and loss incorporates any dividend or interest earned on the financial assets and is included in other Income line item.

Impairment of Financial Assets In accordance with Ind AS 109 "Financial Instruments", the Company applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following and the basis of its measurement:

Trade Receivable - For Trade receivable and other financial assets that results from transactions that are in scope of Ind AS 115, the Company applies the simplified approach required in Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial assets measured at amortised cost (other than trade receivable) - In case of other than trade receivable, the Company determines, if there is any significant increase in credit risk of the financial asset since initial recognition. Below methods are followed based on the credit risk changes:

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

If there are no significant changes in credit risk since initial recognition, twelve months ECL is used to provide the impairment loss.

If there is a significant change in credit risk, lifetime ECL is measured for making the impairment loss assessment. Subsequently if there is an improvement in credit risk, the Company reverts to recognition of impairment loss based on twelve months ECL.

To make the assessment whether there is any significant change in risk, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with a risk of default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events, over the expected life of a financial assets. 12 months ECL is a portion of lifetime ECL which result from default events that are possible within 12 months from the reporting period.

As a practical expedient and as permitted under Ind AS 109, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking information available. At each reporting date, the historically observed default rates and changes in the forward-looking information are updated.

Derecognition of financial assets The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

On derecognition of a financial assets other than entirely, (when the Company retains an option to repurchase part of a transferred asset), the Company allocates previous carried over amount of financial asset between the part it continues to recognise under continuing involvement , and the part it no longer recognises on the basis of the relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in Profit and loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

Financial liabilities and Equity instruments issued by the Company:

Equity Instruments: An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities: Company's financial liabilities broadly comprises, Short term borrowings, Trade payables, Liabilities for capital expenditure and Other long term/ short term obligations

Initial recognition and measurement: Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are recognised initially at Fair value.

In case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or at amortised cost as appropriate.

Subsequent measurement: Financial Liabilities at amortised cost - The carrying amounts of financial liabilities that are subsequently measured at amortised cost using the effective interest method. All the financial liabilities of the Company fall under this category. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial Liabilities at FVTPL - Financial liabilities at fair value through Profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Profit and loss. The Company does not owe any financial liability which is classified at FVTPL.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

Derecognition of financial liabilities- The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in statement of profit and loss.

3.6 Cash Flow Statement

Cash flows are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

3.7 Leases

The Company as lessee

The Company's lease asset classes primarily consist of leases for offices. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use ('ROU') asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments in the statement of profit and loss systematically over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease payments included in the measurement of the lease liability comprise:

(a) Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;

(b) The amount expected to be payable by the lessee under residual value guarantees;

(c) Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

(a) The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

(b) A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Lease liability and ROU assets have been separately presented in the Statement of Assets and Liabilities and lease payments have been classified as financing cash flows

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the Statement of Profit and Loss in the period in which the event or condition that triggers those payments occurs.

3.8 Provisions, Contingent Liabilities and Contingent Assets

a. Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of time value is material, the amount is determined by discounting the expected future cash flows.

b. Contingent liabilities

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

c. Contingent Asset

A contingent asset is generally neither recognised nor disclosed.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

2 Property, plant and equipment

Particulars	Land	Building	Furniture and Fixtures	Office equipment	Plant and Equipment	Electrical Installation	Vehicle	Computer	Total
Gross Carrying amount									
Balance as at 1 April, 2022	**99.40**	**1,322.92**	**247.54**	**45.39**	**2,005.37**	**354.37**	**58.81**	**321.84**	**4,455.64**
Additions	-	-	1.34	0.15	-	-	-	21.63	23.12
Disposals/ adjustments									-
Balance as at 31 March, 2023	**99.40**	**1,322.92**	**248.88**	**45.54**	**2,005.37**	**354.37**	**58.81**	**343.48**	**4,478.76**
Balance as at 1 April, 2023	**99.40**	**1,322.92**	**248.88**	**45.54**	**2,005.37**	**354.37**	**58.81**	**343.48**	**4,478.76**
Additions	-	-	18.08	0.30	3,040.56	16.08	-	29.91	3,104.93
Disposals/ adjustments	-	-	(101.77)	(5.22)	(29.58)	(227.28)	(1.52)	(24.12)	(389.48)
Balance as at 31 March, 2024	**99.40**	**1,322.92**	**165.19**	**40.63**	**5,016.35**	**143.17**	**57.29**	**349.27**	**7,194.21**
Accumulated depreciation									
Balance as at 1 April, 2022	**-**	**355.05**	**203.88**	**43.49**	**1,767.28**	**289.93**	**55.38**	**281.79**	**2,996.81**
Depreciation	-	44.05	16.05	0.80	63.01	31.98	3.42	25.76	185.08
Disposals/ adjustments	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2023	**-**	**399.10**	**219.94**	**44.29**	**1,830.29**	**321.91**	**58.81**	**307.55**	**3,181.89**
Balance as at 1 April, 2023	**-**	**399.10**	**219.94**	**44.29**	**1,830.29**	**321.91**	**58.81**	**307.55**	**3,181.89**
Depreciation		44.05	13.66	0.77	87.18	23.11	-	20.03	188.81
Disposals/ adjustments			(101.77)	(5.22)	(29.58)	(226.66)	(1.52)	(24.12)	(388.87)
Balance as at 31 March, 2024	**-**	**443.16**	**131.83**	**39.84**	**1,887.90**	**118.36**	**57.29**	**303.46**	**2,981.84**
Net carrying amount									
Balance as at 31 March, 2023	**99.40**	**923.81**	**28.94**	**1.26**	**175.07**	**32.47**	**-**	**35.92**	**1,296.87**
Balance as at 31 March, 2024	**99.40**	**879.76**	**33.36**	**0.79**	**3,128.45**	**24.82**	**-**	**45.80**	**4,212.37**

Notes:

3.1. For properties pledged as securities, refer note 14

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

3 Right of use asset

The carrying amount of right of use of assets recognised and the movement during the period:

Particulars	Buildings	Total
Gross Carrying amount		
Balance as at 1 April, 2022	**48.51**	**48.51**
Additions		-
Lease modifications		-
Deductions		-
Balance as at 31 March, 2023	**48.51**	**48.51**
Balance as at 1 April, 2023	**48.51**	**48.51**
Additions	3.18	3.18
Lease modifications		-
Deductions	(13.07)	(13.07)
Balance as at 31 March, 2024	**38.62**	**38.62**
Accumulated amortization		
Balance as at 1 April, 2022	**12.42**	**12.42**
Amortization for the period	12.75	12.75
Deductions		-
Balance as at 31 March, 2023	**25.17**	**25.17**
Balance as at 1 April, 2023	25.17	25.17
Amortization for the period	13.45	13.45
Deductions		-
Balance as at 31 March, 2024	**38.62**	**38.62**
Net carrying amount		
Balance as at 31 March, 2023	**23.34**	**23.34**
Balance as at 31 March, 2024	**(0.00)**	**(0.00)**

The Company as a lessee

The Company's lessee activity consists of leases formally identified within respective leasing arrangements for office spaces. Most of the lease contracts are made under usual terms and conditions, which means they include options to extend the lease by a defined amount of time and escalation clauses in line with general office rental market conditions. On renewal, the terms of the leases are renegotiated.

For Ind AS 116, the Company has applied the below practical expedients:

(1) The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

(2) The Company has applied the exemption not to recognise right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of transition and low value assets.

The following is the break-up of current and non-current lease liabilities

Particulars	As at 31 March, 2024	As at 31 March, 2023
Current	-	-
Non-Current	-	25.87
Total	**-**	**25.87**

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

4 Goodwill

Particulars	Goodwill	Total
Gross Carrying amount	-	-
Balance as at 31 March, 2022	**-**	**-**
Additions	-	-
Impairment	-	-
Disposals/ adjustments	-	-
Balance as at 31 March, 2023	**-**	**-**
Additions	-	-
Impairment	-	-
Disposals/ adjustments	-	-
Balance as at 31 March, 2024	**-**	**-**

5 Capital Work in progress

Capital Work in progress Aging Schedule	Amount in CWIP for a period of				
CWIP as at 31 March, 2024	**Less than 1 year**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

CWIP as at 31 March, 2023	Amount in CWIP for a period of				
	Less than 1 year	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Non-current assets

6 Financial assets

6.1 Investments

Particulars	As at 31 March, 2024	As at 31 March, 2023
Investments in other Entity (Investments carried at cost)		
10,08,249 (as at 31 March, 2024- 10,08,249, as at 31 March, 2023- 10,08,249) Equity Shares at 1 each in Mysore ESDM Cluster	10.08	10.08
	10.08	**10.08**

6.2 Loans

Particulars	As at 31 March, 2024	As at 31 March, 2023
Loans to related parties		
Loan receivables considered good	-	-
Loans to others		
Loan to others - Employees	24.95	37.64
Less: Loan receivables - credit impaired	-	-
Less : Provision for doubtful loans	-	-
	24.95	**37.64**

Notes:

1. Loan to others - Employees : Loan given to employees at nil rate of interest has been accounted to meet the requirement as per IND AS-109. Only the loan amounts exceeding the ₹1 lakh and whose repayment tenure is more than 12 months has been included above. Remaining loans has been regrouped to "Short-term other financial assets")

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

6.3 Other financial assets

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good		
Security Deposits	82.06	27.00
	82.06	**27.00**
Balances with Banks		
In earmarked accounts		
In deposit accounts with more than 12 months maturity	176.43	-
Interest accrued		
on fixed deposit		
on loans		
Other Receivable - Project	989.27	2,242.90
	1,165.70	**2,242.90**
	1,247.76	**2,269.90**

Notes

(a) other receivables represents money spent on the Projects entered with TVS - All receivables are considered good by the management

7 Other non-current assets

Particulars	As at 31 March, 2024	As at 31 March, 2023
Capital advances		
	-	-

Current assets

8 Inventory

Particulars	As at 31 March, 2024	As at 31 March, 2023
(Lower of cost and net realisable value)		
Stock in Hand		
Raw Materials	6,844.64	5,514.44
WIP	4,193.86	5,084.14
Stores and Spares	13.46	21.96
Loose Tools	104.35	59.37
Finished Goods	-	-
Stock in transit		
	11,156.32	**10,679.92**

9 Financial assets

9.1 Trade receivables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Trade receivables - Considered good - Unsecured	8,849.91	2,095.11
Trade receivables - Credit impaired		
Less: Allowance for expected credit loss due to increase in credit risk	(44.36)	-
	8,805.55	**2,095.11**

Notes:

(a) Trade receivables are non-interest bearing and are generally on terms of 0 days to 90 days.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

(b) For amount receivables from related parties, please refer note 35.

(c) Please refer note 14 for details related to hypothecation of receivables against borrowings.

(d) No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person.

(e) Movement in credit loss allowance

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening Balance	-	-
Changes in provision during the year/period	44.36	-
Closing balance	**44.36**	**-**

Trade receivables Ageing Schedule- Gross

Particulars	As at 31 March, 2024	As at 31 March, 2023
Undisputed Trade receivables – considered good		
Not Due		-
Less than 6 months	8,754.09	1,774.26
6 months - 1 year	51.46	40.42
1-2 years	21.57	45.00
2-3 years	22.79	68.16
More than 3 years	-	167.27
Total	8,849.91	2,095.11
Less: Allowance for expected credit loss due to increase in credit risk	(44.36)	-
Grand Total	**8,805.55**	**2,095.11**

9.2 Cash and bank balance

Particulars	As at 31 March, 2024	As at 31 March, 2023
Cash and cash equivalents		
Balances with banks		
in current accounts	4.50	7.76
in deposit accounts with remaining maturity of less than 3 months	120.41	57.75
in Demand deposit	0.00	0.05
Cash on hand	0.69	1.05
	125.60	**66.61**
Bank balances other than cash and cash equivalents		
Balances with banks		
In earmarked accounts (with original maturity period of less than 12 months)	-	-
In deposit accounts with remaining maturity of more than 3 months and less than 12 months	1,197.49	379.17
Cash and bank balances in fixed deposit accounts with banks	-	-
Cash and bank balances Provision for Fixed deposit under lien	-	-
	1,197.49	**379.17**
	1,323.10	**445.78**

9.3 Other financial assets

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advances to employees	0.14	3.60
Other receivables	27.27	5.92
	27.41	**9.52**

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

10 Current tax assets (net)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advance Income Tax (net of provision for taxes) (refer note no 29)		
	-	-

11 Other current assets

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good		
Advance to suppliers	3,072.82	3,751.77
Prepaid expenses	60.07	4.69
Prepaid expenses - Staff Welfare	-	3.86
Balance with government authorities	54.68	55.55
Unbilled Revenue	704.03	459.56
GST Input	111.69	58.48
	4,003.29	**4,333.90**

12 Equity share capital

Particulars	As at 31 March, 2024	As at 31 March, 2023
Authorised		
Equity shares of Re. 10 each with voting rights March 2024 & March 2023 - 1,50,00,000 Equity Shares	1,500.00	1,500.00
	1,500.00	**1,500.00**
Issued, subscribed and paid up		
Equity shares of Re. 10 each with voting rights 1,25,84,726 Equity shares (As on 31st March 2023: 37,42,036) (Of the Equity Shares, 46,35,963 shares were allotted as Bonus Shares during 2023-24.)	1,258.47	374.20
	1,258.47	**374.20**

(a) Reconciliation of the number of shares outstanding at the beginning and at end of the reporting year:

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Balance at the beginning of the year	37,42,036	374.20	37,42,036	374.20
Shares issued during the year	88,42,690	884.27	-	-
Shares issued in pursuant to exercise of employee stock options	-	-	-	-
Shares buyback during the year	-	-	-	-
Shares split during the year	-	-	-	-
Shares outstanding at the end of the year	**1,25,84,726**		**37,42,036**	

(b) Rights, preferences and restrictions attached to the equity shares:

Equity Shares

The Company has a single class of equity shares having a par value of ₹10 each. Each holder of the equity share, as reflected in the records of the Company, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting except interim dividend where approval of the Board of Directors is considered sufficient.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Re 10 each				
Narendra N	23,28,802	18.50%	10,07,952	26.94%
Meera Narendra	13,68,000	10.87%	6,84,000	18.28%
Prakash S	13,00,898	10.34%	7,44,000	19.88%

(c) Shareholding by Promoters

Particulars	As at 31 March, 2024	As at 31 March, 2023
Equity shares of ₹10 each		
No. of shares held		
Narendra N	23,28,802	10,07,952
Meera Narendra	13,68,000	6,84,000
% of shares held	29.38%	45.21%
% change during the year	-15.84%	0.00%

*For the purpose of disclosure, definition of promoter as per the Companies Act, 2013 has been considered.

13 Other equity

Particulars	Note	As at 31 March, 2024	As at 31 March, 2023
Securities premium	(i)	7,452.63	894.20
Retained Earnings	(ii)	4,047.17	2,512.51
General Reserve	(iii)	169.58	169.58
Capital Redemption Reserve	(iv)	-	14.87
Share application money pending Allotment	(v)	-	700.00
Other comprehensive income	(vi)	(108.88)	(112.37)
		11,560.50	**4,178.79**

(i) Securities premium

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	894.20	894.20
Addition on account of issue of shares (net of share issue expenses)	7,553.81	-
Reduction on account of issue of Bonus Shares	(448.73)	-
Reduction on account of IPO Expenses	(546.65)	
Addition on account of exercise of stock options	-	-
Balance at the end of the year	**7,452.63**	**894.20**

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The same is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

(ii) Retained Earnings

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	2,512.51	1,785.49
Addition during the year	1,534.66	734.34
Payment of Dividend - Both Equity and Preference Shares	-	(7.31)
Adjustments	-	-
Balance at the end of the year	**4,047.17**	**2,512.51**

Retained earnings represents the Company's undistributed earnings after taxes.

(iii) General reserve

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	169.58	184.45
Add: Transferred from share options outstanding account		
Less : Transfer to Capital Redemption Reserve	-	(14.87)
Balance at the end of the year	**169.58**	**169.58**

General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income. Items included in general reserve will not be reclassified subsequently to profit or loss.

(iv) Capital Redemption Reserve

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	14.87	-
Add: Transferred from retained earnings	-	14.87
Less: Utilised for issue of Bonus Shares	(14.87)	
Balance at the end of the year	**-**	**14.87**

(v) Share application money pending Allotment

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	700.00	-
Add - Amount Received during the year	7,274.48	700.00
Less : Allotted during the year	(7,974.48)	-
Balance at the end of the year	**-**	**700.00**

(vi) Other comprehensive income

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year /	(112.37)	(93.59)
Re-measurement gains / (losses) on defined benefit plans	3.49	(18.78)
Fair value measurement on investments designated at FVTOCI	-	-
Balance at the end of the year	**(108.88)**	**(112.37)**

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

Non Current Liabilities

14 Financial Liabilities

14.1 Borrowings

Particulars	As at 31 March, 2024	As at 31 March, 2023
Term Loans - Secured		
From a bank (refer note -a below)	1,831.01	2,176.73
Loans from financial institution- Unsecured (refer note- b)	14.15	26.35
Liability component of compound financial instruments		
Preference Shares	-	-
Less: Current Maturities of Long Term Borrowings	(633.04)	(309.02)
	1,212.12	**1,894.06**

Notes:

a) Term Loan from Bank - Canara Bank Canara Credit Support to COVID-19 loan is against hypothecation of Stocks, Book debts, and Current Assets. Repayable by 72 instalments of ₹26.02 Lacs each

b) Loan from SIDBI Sub-ordinated Debt under Growth Capital & Equity assistance Scheme is against First Charge by way of hypothecation of all the machinery acquired and Second Charge by way of hypothecation of all the movable assets - Repayable by 54 instalments of ₹3.67 lacs each

c) The company has borrowed unsecured long term loan from Bajaj Finance Ltd amounting to ₹34.31 lacs at rate of 19% repayable by 36 instalments of ₹1.25 lacs each

15 Long Term Provisions

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for employee benefits		
Gratuity	74.51	55.19
Compensated absences	87.21	54.66
	161.72	109.85

Current Liabilities

16 Financial Liabilities

16.1 Borrowings

Particulars	As at 31 March, 2024	As at 31 March, 2023
Secured Loan		
Balance in overdraft accounts (refer note below)	7,824.39	6,168.88
Unsecured Loan		
Loans from Director - Unsecured - Refer note 3	-	199.05
Current maturities of long-term borrowings	633.04	309.02
	8,457.43	**6,676.95**

1. Cash Credit is Secured against First pari passu charge by way of hypothecation of RM, WIP & Book Debts and Plant & Machinery, First pari passu charge by way of equitable mortgage of Factory Land and Building and Property held in the name of Managing Director with Canara Bank, Axis Bank, HDFC Bank & SBI and Personal guarantee of Wholetime Directors.

2. The Company has availed an interest free unsecured loan from Mr. Narendra- Managing Director, The unsecured loan has been repaid during the Financial Year.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

16.2 Trade payables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Total outstanding dues of Micro Enterprises and Small Enterprises (refer note below)	602.79	18.11
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	4,388.08	3,557.74
	4,990.87	**3,575.85**

Notes

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the six months period ended 31 March, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the company and relied upon by auditors.

Disclosure in respect of Micro and Small Enterprises :

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
Principal	602.79	18.11
Interest	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:		
Interest	-	-
Payment	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Trade payables Ageing Schedule

Particulars Outstanding for following periods from due date of payment	As at 31 March, 2024	As at 31 March, 2023
MSME		
Less than 1 year	602.79	18.11
1-2 years	-	
2-3 years	-	
More than 3 years	-	
Total	**602.79**	**18.11**
Others		
Less than 1 year	4,028.11	3,200.60
1-2 years	267.23	343.14
2-3 years	82.87	14.00
More than 3 years	9.87	-
Total	**4,388.08**	**3,557.74**

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

16.3 Other financial liabilities

Particulars	As at 31 March, 2024	As at 31 March, 2023
Interest accrued but not due on borrowings	2.96	0.54
Salary & Bonus Payable	180.95	148.88
Buyer Credit & Other Payables	1,368.18	834.15
Other Payable for Expenses	57.86	82.35
	1,609.95	**1,065.92**

17 Other current liabilities

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advance from Customers	185.79	3,144.26
Statutory Remittances	827.30	168.58
	1,013.08	**3,312.85**

18 Short Term Provisions

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for employee benefits		
Gratuity	85.03	78.62
Compensated absences	23.49	29.89
	108.52	**108.51**

19 Current Tax Liabilities (Net)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for Taxation	499.12	275.79
	499.12	**275.79**

20 Revenue from operations

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Revenue from Sale of products	30,147.99	21,677.40
Revenue from Services	867.84	1,315.44
Unbilled Revenue	704.03	459.56
	31,719.87	**23,452.40**

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

21 Other income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest income		
Interest income on financial assets measured at fair value	1.16	2.26
Interest income on deposit	151.59	30.09
Other non-operating income		
Sundry Balances Written back- Credit Balance Appropriation	-	172.22
Other gains and losses		
Income from Mutual Fund	1.64	1.22
Net Foreign Exchange gain	192.90	226.39
Gain on Sale of Fixed Assets	1.88	-
Gain on Derecognition of Lease	9.10	-
Others	0.12	0.83
	358.38	**433.02**
	165.48	**206.63**

22 Purchase of Stock-in-trade

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Purchase of Stock-in-trade		
	-	**-**

23 Cost of Materials Consumed

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Stock of Raw Materials and Components at the beginning of the year	5,514.44	4,939.67
Add: Purchase of Raw Material	25,010.55	17,912.83
Less: Stock of Raw Material at the end of year	(6,844.64)	(5,514.44)
	23,680.35	**17,338.06**
Stock of Stores and Consumables at the beginning of the year	21.96	17.96
Add: Purchase of Stores and Consumables	390.46	328.13
Stock of Stores and Consumables at the End of the year	(13.46)	(21.96)
	398.96	**324.13**
Direct Expenses	360.26	285.04
	24,439.57	**17,947.23**

24 Changes in Inventories of Work in Progress, Stock-in-trade and finished goods

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Stock - WIP at the beginning of the year	5,084.14	6,246.48
Stock - WIP at the end of the year	(4,193.86)	(5,084.14)
	890.28	**1,162.34**
Net (increase)/decrease	**890.28**	**1,162.34**

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

25 Employee benefits expense

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Salaries, wages, Bonus and allowances	1,702.78	1,288.52
Contribution to provident and other funds (refer note 41)	147.89	127.08
Leave encashment	26.15	7.89
Gratuity expense (refer note 41)	32.69	30.29
Directors Remuneration	148.75	147.35
Staff welfare expenses	45.06	39.66
	2,103.34	**1,640.77**

26 Finance costs

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest expense on financial instrument designated at amortised cost:		
borrowings (refer note 14.1)	967.39	864.14
lease liabilities(refer note 3)	2.36	3.03
Bank Charges	178.79	120.82
Other finance charges	175.91	272.34
	1,324.46	**1,260.32**

27 Depreciation and amortisation expense

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation of property, plant and equipment (refer note 2)	188.81	185.08
Amortization on right-of-use assets (refer note 3)	13.45	12.75
Amortization of Other Assets	25.64	23.31
	227.91	**221.14**

28 Other expenses

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Director Sitting Fees	8.60	0.25
Business promotion and advertisement expenses	24.92	21.38
Lease rentals	5.16	0.25
Power and fuel	121.57	103.34
House keeping expenses	12.33	0.61
Repairs and maintenance		
Office & Factory	4.05	3.20
Building	30.46	-
Machinery	37.66	67.68
Others	38.78	6.46
Rates and taxes	88.64	35.00
Printing and stationery	9.24	5.36
Postage & Courier	9.61	10.31
Communication	8.08	7.67
Legal and professional fees	110.95	158.30
Auditor's Remuneration (refer note below)	13.00	12.00
Insurance charges	34.46	32.60

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Travel, Conveyance & Accommodation	107.11	71.97
Freight Outward Charges	73.77	34.00
Commission Paid	3.12	2.96
Loss on sale of Investments	-	0.33
Membership & Subscription	9.26	5.37
Interest and penalty paid on taxes	61.96	16.57
Bad Debt written off	28.04	5.74
Liquidated Damages	59.68	-
Interest on MSME	-	2.30
Security Charges	40.31	35.18
Allowance for expected credit loss	44.36	-
Corporate Social Responsibility (CSR) expenditure	9.55	-
Donation	5.10	0.60
Miscellaneous expenses	5.62	5.22
	1,005.41	**644.66**

Note: Auditor's remuneration (excluding taxes) *

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Statutory Audit fees	12.00	12.00
Tax Audit fees	1.00	-
Reimbursement of expenses	-	-
	13.00	**12.00**

29 Income Tax expense

(a) Amounts recognised in Standalone statement of profit and loss

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Current tax:		
Current tax:	499.12	275.79
Tax for earlier years:	23.19	21.01
Deferred tax:		
Deferred tax charge/ (credit)	30.32	(22.19)
Tax expense for the year	**552.63**	**274.61**

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Items that will not be reclassified subsequently to the statement of the profit and loss		
Remeasurements of defined benefit (assets)/ liabilities	3.49	(18.78)
Income tax relating to items that will be reclassified subsequently to statement of profit and loss	-	-
Total	**3.49**	**(18.78)**

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profit before tax	2,087.29	1,008.94
Statutory rate	25.17%	25.17%
Tax amount at the enacted income tax rate	525.33	253.93
Tax impact on account of :		
On account of Depreciation	(49.14)	7.98
On account of INDAS Adjustments Disallowed in Income Tax Act	-	18.95
On account of Taxes at special rates - Capital Gain	(0.34)	(0.56)
On account of Expenses disallowed / allowed under Income Tax Act and others	23.27	(4.50)
Tax expenses pertaining to current year	**499.12**	**275.79**
	499.12	275.79
Effective income tax rate	23.91%	27.33%

Deferred taxes

Deferred tax assets/ (liabilities) as at 31 March, 2024:

Particulars	As at 1 April, 2023	Recognised in statement of profit and loss	Recognised directly in other equity	As at 31 March, 2024
Property, plant and equipment	35.40	(55.71)	-	(20.31)
Provision for employee benefits	54.96	13.94	-	68.90
Provision for other Expenses	0.91	11.46	-	12.36
Total	**91.27**	**(30.32)**	**-**	**60.95**

Deferred tax assets/ (liabilities) as at 31 March, 2023:

Particulars	As at 1 April, 2022	Recognised in statement of profit and loss	Recognised directly in other equity	As at 31 March, 2023
Property, plant and equipment	50.27	(14.87)	-	35.40
Provision for employee benefits	17.67	37.29	-	54.96
Provision for other Expenses	1.14	(0.24)	-	0.91
Total	**69.08**	**22.19**	**-**	**91.27**

30 Earnings per equity share

(Presented in INR lacs, except number of shares data)

Particulars	Note	As at 31 March, 2024	As at 31 March, 2023
Profit for the year	(a)	1,534.66	734.34
Weighted average number of equity shares outstanding for basic EPS	(b)	93,19,308	37,42,036
Add: Effect of ESOP's which are dilutive			
Weighted average number of equity shares outstanding for diluted EPS	(c)	93,19,308	37,42,036
Nominal value of equity shares		10.00	10.00
Earnings per share			
Basic (In ₹)		16.47	19.62
Diluted (In ₹)		16.47	19.62

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

31 Financial instruments

The carrying value and fair value of financial instruments by categories are as follows:

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
FVTPL				
Investment in mutual funds	-	-	-	-
FVTOCI				
Investment in equity instruments	10.08	10.08	10.08	10.08
At amortised cost				
Trade receivable	8,805.55	8,805.55	2,095.11	2,095.11
Cash and bank balance	1,323.10	1,323.10	445.78	445.78
Loan	24.95	24.95	37.64	37.64
Other financial assets	1,275.18	1,275.18	2,279.41	2,279.41
Total Financial assets	**11,438.86**	**11,438.86**	**4,868.02**	**4,868.02**
Financial liabilities				
FVTPL				
Liability component of compound financial instruments	-	-	-	-
At amortised cost				
Lease liabilities	-	-	25.87	25.87
Borrowings	9,669.55	9,669.55	8,571.01	8,571.01
Trade payables	4,990.87	4,990.87	3,575.85	3,575.85
Other financial liabilities	1,609.95	1,609.95	1,065.92	1,065.92
Total Financial liabilities	**16,270.37**	**16,270.37**	**13,238.65**	**13,238.65**

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

32 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at 31 March, 2024, 31 March, 2023 and 31 March, 2022.

Particulars	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets measured at fair value					
FVTPL financial assets designated at fair value					
Investment in mutual funds (quoted)	31 March, 2024	-	-	-	-
FVTOCI financial assets designated at fair value					
Investment in bonds (quoted)	31 March, 2024	-	-	-	-
Investment in equity investments (unquoted)	31 March, 2024	-	-	10.08	10.08
Total of Financial Assets		**-**	**-**	**10.08**	**10.08**

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

Particulars	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial liabilities measured at fair value:					
FVTPL financial liabilities designated at fair value	31 March, 2024				
Preference Shares		-	-	-	-
Total of Financial Liabilities		**-**	**-**	**-**	**-**
Financial assets measured at fair value					
FVTPL financial assets designated at fair value					
Investment in mutual funds (quoted)	31 March, 2023	-	-	-	-
FVTOCI financial assets designated at fair value					
Investment in bonds (quoted)	31 March, 2023	-	-	-	-
Investment in equity investments (unquoted)	31 March, 2023		-	10.08	10.08
Total of Financial Assets		**-**	**-**	**10.08**	**10.08**
Financial liabilities measured at fair value:					
FVTPL financial liabilities designated at fair value					
Preference shares	31 March, 2023	-	-	-	-
Total of Financial Liabilities		**-**	**-**	**-**	**-**

At respective period / year end the financial instruments are categorized as level 1 based on the quoted prices available in the active market and as level 3 in case the lowest level input that is significant to the fair value measurement is unobservable. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Note on Valuation Methodology

a) **Mutual Funds**

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

b) **Investment in equity investments (unquoted)**

The Company has measured fair value for Investment in equity investments (unquoted) based on the additional shares allotted to the company.

33 Financial risk management

The Company's management has overall responsibility for the establishment and oversight of the risk management framework.

The Company's principal financial liabilities, comprises lease liabilities, trade and other payables. The Company's principal financial assets include security deposits, trade and other receivables and cash and bank balances.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and foreign currency risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(i) 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. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Customer credit risk is subject to the Company's policies, procedures and controls and any changes in the foreign policy of the export customer. Outstanding trade receivables are monitored at regular intervals. Impairment analysis is performed at each reporting date on individual customer basis.

Cash and cash equivalents and other bank balances

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks.

(ii) Liquidity risk

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. The Company's Accounts and corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Company does not face a significant liquidity risk with regard to its financial liabilities as the current assets are sufficient to meet the obligations related to financial liabilities as and when they fall due.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	As at 31 March, 2024				
	Up to 1 year	1-5 years	More than 5 years	Total Undiscounted cash flow	Carrying Amount
Borrowings	8,457.43	1,212.12		9,669.55	9,669.55
Lease liabilities	-	-		-	-
Trade payables	4,990.87	-	-	4,990.87	4,990.87
Other financial liabilities	1,609.95	-	-	1,609.95	1,609.95
Total	**15,058.25**	**1,212.12**	**-**	**16,270.37**	**16,270.37**

Particulars	As at 31 March, 2023				
	Up to 1 year	1-5 years	More than 5 years	Total Undiscounted cash flow	Carrying Amount
Borrowings	6,676.95	1,894.06		8,571.01	8,571.01
Lease liabilities	-	25.87		25.87	25.87
Trade payables	3,575.85	-	-	3,575.85	3,575.85
Other financial liabilities	1,065.92	-	-	1,065.92	1,065.92
Total	**11,318.72**	**1,919.93**	**-**	**13,238.65**	**13,238.65**

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, payable, etc.

The analysis exclude the impact of movements in market variables on: the carrying values of post-retirement obligations and provisions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has debt obligations with fixed interest rates. The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

34 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders. The capital structure of the Company consists of equity only. The management of the Company reviews the capital structure of the Company on annual basis. The Company is not subject to any externally imposed capital requirements. The Capital Management policy focusses to maintain an optimal structure that balances growth and maximizes shareholder value.

The capital structure is as follows:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Total equity attributable to the equity share holders of the Company	12,818.97	4,552.99
As percentage of total capital	57%	35%
Total borrowings	9,669.55	8,571.01
Total equity (borrowings and equity)	22,488.52	13,124.00
Adjusted net debt to Total equity ratio	**43%**	**65%**

35 Employee Benefits

A Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related services.

During the year, the Company has recognised the following amounts in the Standalone Statement of profit and loss, which are included in contribution to provident and other funds.

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Provident Fund, Employee's Pension Scheme and Labour Welfare Fund	147.89	127.08
Total	**147.89**	**127.08**

B Defined benefit plans

Gratuity

(ii) Gratuity: The employees are covered under Employee Gratuity scheme which is a defined benefit plan funded by Vinyas Innovative Technologies (P) Ltd Group Gratuity Trust® managed by LIC of India. The Company provides for gratuity, a defined benefit plan (the Gratuity Plan), to its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, of an amount based on the respective employee's last drawn salary and years of employment with the Company.

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

(a) Interest rate risk:
The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

(b) Liquidity risk:
This is the risk that the Company is not able to meet the short -term gratuity pay-outs. This may arise due to non -availability of enough cash /cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

(c) Demographic risk:
The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

(d) Salary Risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(e) Withdrawals:

Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

The following table sets out the status of the non funded gratuity plan as required under Ind AS 19 'Employee benefits'.

A. Reconciliation of projected defined benefit obligation

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Change in projected benefit obligation		
Obligation at the beginning of the year	329.78	282.40
Interest cost	24.80	20.42
Current service cost	25.14	23.76
Past service cost	(2.51)	-
Benefits paid	(8.07)	(12.29)
Actuarial gains/ (losses) recognised in other comprehensive income :		
Due to Change in Financial Assumptions	8.76	(7.56)
Due to Change in Demographic Assumptions	-	-
Due to Change in Experience Assumptions	(18.71)	23.05
Obligation at the end of the year	**359.17**	**329.78**
Change in plan assets		
Plans assets at the beginning of the year, at fair value	195.97	192.17
Interest Income	14.74	13.89
Contribution by plan participants	-	-
Contribution by the Company	3.47	5.48
Return on Plan Assets, Excluding Interest Income	(6.47)	(3.29)
Actuarial gains/ (losses)	-	-
Benefits paid	(8.07)	(12.29)
Plan assets at the end of the year, at fair value	**199.63**	**195.97**

B. Reconciliation of present value of defined benefit obligation and the fair value of plan

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Present value of defined benefit obligation at the end of the year	359.17	329.78
Fair value of plan assets at the end of the year	(199.63)	(195.97)
Liability recognised in the balance sheet	**159.54**	**133.81**
Current	85.03	78.62
Non Current	74.51	55.19

C. Expenses recognized in the Statement of profit and loss

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Current service cost	25.14	23.76
Net Interest cost	10.06	6.52
Past service cost	(2.51)	-
Expected return on plan assets	-	-
Actuarial (gains)/ losses	-	-
Total expense recognised in the Statement of profit and loss	**32.69**	**30.29**

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

D. Expense recognised in the Other comprehensive income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Due to Change in Financial Assumptions	8.76	(7.56)
Due to Change in Demographic Assumptions	-	-
Due to Change in Experience Assumptions	(18.71)	23.05
Return on Plan Assets (Greater) / Less than Discount rate	6.47	3.29
Total expenses recognized in the Other comprehensive income	**(3.49)**	**18.78**

E. Expense recognised in the Total Comprehensive income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Expense recognised in the Statement of profit and loss	32.69	30.29
Expense recognised in the Other comprehensive income	(3.49)	18.78
	29.20	**49.06**

(i) Expected Future Cash flows

The following payments are Maturity Analysis of the Benefit Payments

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Year 1	37.51	48.73
Year 2	35.78	21.19
Year 3	23.00	19.23
Year 4	20.89	40.73
Year 5	40.19	31.90
Year 6 to 10	125.84	105.13
Year 11 and above	500.56	440.55
Total expected cash flow	**783.76**	**707.46**

(ii) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Discount rate		
a. Delta Effect of -1% Change in Discount rate	32.32	27.52
b. Delta Effect of +1% Change in Discount rate	(27.70)	(23.73)
Salary increase rate		
a. Delta Effect of -1% Change in Salary increase rate	(29.01)	(24.92)
b. Delta Effect of +1% Change in Salary increase rate	33.27	28.53
Attrition rate		
b. Delta Effect of -1% Change in Attrition rate	(15.29)	(13.60)
a. Delta Effect of +1% Change in Attrition rate	13.58	12.14
Effect of no ceiling	-	-

The methodology used for ALM is Projected Unit Credit Method

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Rate of Discounting	7.22%	7.52%
Rate of Salary Increase	3.00%	3.00%
Attrition rate	4.00%	4.00%
Mortality Rate During Employment	100% of IAL: Indian Assured Lives Mortality (2012-14)	100% of IAL: Indian Assured Lives Mortality (2012-14)

Note:

1. 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.
2. The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

ii) Other long-term benefits- Unfunded

The other long term employee benefits which are provided based on the actuarial valuation done using projected unit credit method are as under:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Compensated absences	110.70	84.55
	110.70	**84.55**

The discount rate for defined benefit plan and other long term benefits is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered for defined benefit plan and other long term benefits takes into account the inflation, seniority, promotion, increments and other relevant factors.

36 Related parties transactions

(i) Name of the parties and its relationships

Description of Relationship	Name of Related Parties
Managing Director	Narendra Narayan
Non-Executive Director - (up to 17 May, 2023)	Srinivasamurthy Prakash
Whole Time Director	Srinivasan TR
Whole Time Director - (up to 17 May, 2023)	Meera Narendra
Non-Executive Director - (up to 17 May, 2023)	Kunagalli Radhakrishnan Usha Prakash
Whole Time Director	Sumukh Narendra
Independent Director - (from 19 August, 2023)	Ramakrishna Mudre
Independent Director - (from 19 August, 2023)	Pradeep V Desai
Independent Director - (from 19 August, 2023)	Deepa Prakash
Promoter & Relative of Director	Meera Narendra
Relative of Director	Seema Deshpande
Relative of Director	Deepashree N
Relative of Director	Priya Srinivasan
Company Secretary & Compliance Officer - (from 28 July, 2023)	Subodh M R
Chief Financial Officer - (from 28 July, 2023)	Amitava Majumdar
Enterprise over which key management Personnel and it's relatives are able to exercise significant influence and control	Specvin Technologies Pvt Ltd Staysee Healthcare Products Pvt Ltd

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

(ii) Summary of transactions with related parties

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Loans / Trade Advances Received		
Specvin Technologies Pvt Ltd	-	-
Narendra N	506.36	1,316.67
Staysee Healthcare Products Private Ltd	-	116.00
Sumukh Narendra	-	10.00
	506.36	**1,442.67**
Loans / Trade Advances Repaid:		
Specvin Technologies Pvt Ltd	-	-
Narendra N	705.41	1,117.62
Srinivasan TR	-	-
Staysee Healthcare Products Private Ltd	-	116.00
Sumukh Narendra	-	15.00
	705.41	**1,248.62**
Professional Charges:		
Specvin Technologies Private Limited	-	1.50
	-	**1.50**
Sale of Goods:		
Specvin Technologies Private Limited	-	-
	-	**-**
Cab Hire Charges:		
Narendra N	12.00	12.00
Srinivasan T R	9.60	19.60
	21.60	**31.60**
Re-imbursements given to		
Narendra N	15.03	76.03
Sumukh Narendra	9.49	102.79
	24.52	**178.82**
Salary and Emoluments:		
Directors' Remuneration		
Narendra N	73.91	62.81
Meera Narendra	5.91	35.49
Sumukh Narendra	43.24	28.63
Srinivasan T R	26.32	20.43
	148.75	**147.35**
Key Managerial Personnel Remuneration		
Subodh M R	20.89	-
Amitava Majumdar	14.42	-
	30.37	**-**
Related Party Remuneration		
Meera Narendra	36.56	-
Seema Deshpande	19.57	16.56
Deepashree N	23.22	14.33
Priya Srinivasan	20.35	4.88

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
	97.00	**35.77**
Sitting Fees		
Narendra N	2.00	0.05
Prakash	1.00	0.05
Sumukh Narendra	1.00	0.05
Srinivasan T R	1.00	0.05
CVCFL	-	0.05
Usha Prakash	1.00	-
Ramakrishna Mudre	1.40	-
Pradeep V Desai	0.70	-
Deepa Prakash	0.50	-
	8.60	**0.25**

(iii) Related party closing balances as at the Balance Sheet date

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Advance / Loans Outstanding Payable		
Narendra N	-	199.05
Narendra N	-	0.99
Sumukh Narendra	-	-
Specvin Technologies Private Limited (Net Payables)	57.98	60.97
Specvin Technologies Private Limited (Net Receivables)	-	(2.00)
Staysee Healthcare products private Ltd (Net of Payables)	-	8.54
Staysee Healthcare products private Ltd (Net of Receivables)	(17.81)	2.30
Srinivasan T R	-	1.58
Salaries payables		
Narendra N	3.83	3.25
Sumukh Narendra	3.47	2.66
Srinivasan T R	1.59	1.32
Meera Narendra	2.41	1.82
Subodh M R	1.45	-
Amitava Majumdar	1.37	-
Seema Deshpande	1.37	1.13
Deepashree N	1.34	1.04
Priya Srinivasan	1.15	0.78

37 Segmental information

The Company has only one geographical segment, hence the reporting is not provided. The Company does not have any reportable secondary segment.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

38 Analytical Ratios

Ratio	Numerator	Denominator	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022	% change from 31 March, 2023 to 31, March 2024	% change from 31 March, 2022 to 31, March 2023	Explanation for the variance (March 2023 vs March 2024)	Explanation for the variance (March 2022 vs March 2023)
a) Current Ratio	Current Assets	Current Liabilities	1.52	1.17	1.09	29.76%	7.01%		
b) Debt - Equity Ratio	Total borrowings	Total equity	0.75	1.88	2.87	-59.93%	-34.36%	Due to Fresh Issue of Equity Shares	Due to decrease in borrowings and increase in equity
c) Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Finance costs	Debt service = Interest and Lease Payments + Principal Repayments of borrowings	2.75	1.98	1.46	39.07%	35.68%	Due to increase in Net profit	Due to increase in Net profit
d) Return on Equity Ratio	Net Profit after taxes	Average Total equity	0.18	0.19	0.03	-7.40%	487.62%		Due to increase in sales
e) Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.24	1.64	1.43	36.82%	14.44%		
f) Trade receivables turnover ratio	Revenue from operations	Average Trade Receivables	7.15	17.05	6.70	-58.05%	154.46%		
g) Trade payables turnover ratio	Purchase of Materials+ Direct Expenses	Average Trade Payables	14.81	9.55	9.41	55.04%	1.49%		
h) Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets - Current liabilities	3.67	9.20	13.35	-60.09%	-31.08%		Increase in revenue and increase in advance paid to customers
i) Net Profit Ratio	Net profit after tax	Revenue from operations	0.05	0.03	0.00	54.52%	544.77%		Due to increase in sales
j) Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt	0.24	0.35	0.26	-30.92%	36.66%		
k) Return on Investment									

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

39 Contingent Liabilities, Capital and Other Commitments

Particulars	As at 31 March, 2024	As at 31 March, 2023
Contingent Liabilities not provided for in respect of :		
a) Claims not acknowledged as debt (disputed by the company and or appealed against):		
Demand of Income Tax	47.56	47.56
Demand of VAT	2.40	2.40
Pending litigation (Charter of demands - Labour)	650.00	-
b) Others		
Outstanding Bank Guarantees issued to Banks	4,094.00	2,682.57

40 ADDITIONAL REGULATORY DISCLOSURES

(i) The Company has not been declared as an wilful defaulter by any bank or financial institution or other lenders.

(ii) The Company has no transactions with Companies that has been struck off.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the financial year or in the previous year.

(iv) There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(v) There are no charges registration or satisfaction of charge not created with ROC beyond the time period.

(vi) There are no immovable properties not held in the name of the company.

(vii) The Company has no transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961),

(viii) The company has not made any revaluation to the Property, Plant and Equipment.

(ix) The company has not entered into any Scheme of arrangement.

(x) The company has not given any loans or advances to the Directors/KMP/Related Parties other than reported in the related party transaction disclosure

(i) All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

41 Trade Receivables, Trade Payables and Advances from Customers balances are subject to balance confirmation and reconciliation, if any.

42 The Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which have the feature of recording audit trail (edit log) facility and the same has been enabled throughout the year for all relevant transactions recorded in the software.

Notes to financial statements

(All amount in ₹ Lakh unless otherwise stated)

43 Previous year's figures have been regrouped wherever necessary, to conform to the current year's classification.

In terms of our report attached
For P Chandrasekar LLP
Chartered Accountants
Firm registration number: 000580S/S200066

P CHANDRASEKARAN
Partner
Membership Number: 026037

Place: Bengaluru
Date: 29-05-2024

for and on behalf of the Board of Directors of
Vinyas Innovative Technologies Limited

NARENDRA NARAYANAN
Managing Director
DIN: 00396176

T R SRINIVASAN
Director
DIN: 00379256

AMITAVA MUJUMDAR
Chief Financial Officer

SUBODH M R
Company Secretary & Compliance Officer
M. No. : A43878

Place: Mysuru
Date: 29-05-2024

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