

PROYUGA ADVANCED TECHNOLOGIES LIMITED
(CIN: U74999TS2017PLC176097)

HYDERABAD

EIGHTH ANNUAL GENERAL MEETING

to be held on

Monday, the 29th Day of September 2025 at 10.00 A.M

Registered Office:

Plot No. 30, Brigade Towers, East Wing,
Ground Floor, Nanakramguda, Financial District,
Gachibowli, K.V.Rangareddy, Serilingampally,
Telangana-500032, India.

Phone: 8008767676

Email: company@proyuga.tech,

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BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- | | |
|-----------------------------------|--|
| 1. Mr. Vasantha Sai Sama | - Whole-Time Director |
| 2. Mr. Sai Kiran Nallapaneni | - Whole Time Director |
| 3. Mr. Sai Teja Manchukanti | - Non-executive Director |
| 4. Mr. Venugopal Rao Kancherla | - Director (Independent) |
| 5. Ms. Thanmai Gurijala | - Director (Independent) |
| 6. Mr. Sai Sasank S Ganesh Parimi | - Chief Executive Officer |
| 7. Mr. Karumuru Gowtham Reddy | - Chief Financial Officer |
| 8. Ms. Vasavi Latha Garapati | - Company Secretary & Compliance officer (w.e.f. 01.02.2025) |

AUDITORS

M/s. R V K S And Associates,
Chartered Accountants(FRN: 008572S),
6-3-650, Flat No: 217 B & C,
2nd Floor, Maheshwari Chambers,
Somajiguda, Hyderabad – 500 082, Telangana

REGISTRAR & SHARE TRANSFER AGENTS

KFin Technologies Limited
(Formerly known as KFin Technologies Private Limited)
Selenium Building, Tower-B, Plot No 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana India - 500 032.
CIN L72400MH2017PLC444072



ProYuga Advanced Technologies Limited

CIN: U74999TS2017PLC176097

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **EIGHTH ANNUAL GENERAL MEETING** of the Members of **PROYUGA ADVANCED TECHNOLOGIES LIMITED** will be held on Monday, the 29th Day of September, 2025 at 10.00 A.M through Video Conference (VC)/Other Audio Visual Means (OAVM) to transact the following business. The deemed venue of the AGM shall be the registered office of the Company situated at Plot No. 30, Brigade Towers, East Wing, Ground Floor, Nanakramguda, Financial District, Gachibowli, K.V.Rangareddy, Serilingampally, Telangana-500032, India.

ORDINARY BUSINESS:

1. To receive, consider, and adopt the Audited Financial Statements, comprising the Statement of Profit and Loss, the Cash Flow Statement for the year ended 31st March, 2025, and the Balance Sheet as at that date, together with all annexures, schedules, and notes thereon, along with the Independent Auditors' Report and the Directors' Report.

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

RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2025, comprising the Statement of Profit and Loss, the Cash Flow Statement, and the Balance Sheet as at that date, along with all annexures, schedules, and notes thereon, together with the Independent Auditors' Report and the Directors' Report, as laid before the meeting, be and are hereby considered, approved, and adopted.

2. To appoint Mr. Manchukanti Sai Teja (DIN: 07596317), Director(Non-Executive) who retires by rotation and being eligible, offers himself for re-appointment.

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

"RESOLVED THAT Mr. Manchukanti Sai Teja (DIN: 07596317), who retires by rotation in terms of Section 152 of Companies Act, 2013 and being eligible be and is hereby appointed as Director (Non-Executive) of the Company whose office shall be liable to retirement by rotation".

3. **Re-appointment of M/s R V K S and Associates (FRN: 008572S), Chartered Accountants, Hyderabad as Statutory Auditors of the Company:**

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

Registered address :

Plot No: 30, Brigade Towers, East Wing, Ground
Floor, Nanakramguda, Financial District, Gachibowli,
Hyderabad-500032, Telangana, India.

+91 8008 76 76 76

company@proyuga.tech

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time **M/s R V K S and Associates (FRN: 008572S), Chartered Accountants, Hyderabad** be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting until the conclusion of the 13th Annual General Meeting of the Company to be held in the year 2030 at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors from time to time.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all necessary steps and to do all acts and things to effect the said Resolution.”

By Order of the Board
For **ProYuga Advanced Technologies Limited**



Sd/-
Vasavi Latha Garapati
Company Secretary & Compliance Officer
Mem. No.: A65841

Place: Hyderabad
Date: 05.09.2025

NOTES:

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 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 AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through remote e-voting/E-voting on the date of AGM.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
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) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI, and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote E-Voting/E-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using the remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <http://info.proyuga.tech/AGMNoticeAndAnnualReport>. The AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time

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

The remote e-voting period begins on Friday, 26th September, 2025 at 09:00 A.M. and ends on Sunday, 28th September, 2025 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. Monday, 22nd September, 2025, 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 Monday, 22nd September, 2025.

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

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2. Existing IDeAS users 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 the e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.3. If you are not registered for IDeAS e-Services, the 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

	<p>4. Visit the e-Voting website of NSDL. Open a 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 held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>5. Shareholders/Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The 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 use your existing myeasi 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 the company. On clicking the evoting option, the user will be able to see the 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 are 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, the 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. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an 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 be 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 the 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 the 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 a 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 e-services 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 use your existing password to login and cast your vote.
- b) If you are using the 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 the "Login" button.

9. After you click on the "Login" button, the 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 the company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining a virtual meeting, you need to click on the “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 bhaskarandassociates@gmail.com 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 to Mr. Swapneel 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 einward.ris@kfintech.com, ramachandra.v@kfintech.com
2. For Electronic Shareholders, please contact your Depository Participant (DP) and register your email address in your demat account as per the process advised by your DP. 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 general practices for e-Voting, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see a link of "VC/OAVM" placed under the "**Join meeting**" menu against the company name. You are requested to click on the VC/OAVM link placed under the Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the 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 the 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 (company@proyuga.tech). The same will be replied by the company suitably.
6. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number to Company@proyuga.tech between Sunday, September 21, 2025 (09.00 a.m. IST) and Wednesday, September 24,2025 (05:00 p.m. IST). Only those members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
7. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

DIRECTORS' REPORT

To,
The Members

The Directors of your Company are pleased to present the Eighth (08th) Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2025.

1. FINANCIAL SUMMARY AND PERFORMANCE OF THE COMPANY:

The Financial Performance of the Company for the year ended 31st March, 2025 is summarized below:-

(Rs. In Hundreds)

Particulars	Current Year ended 31.03.2025	Previous Year ended 31.03.2024
Revenue from operations	9,90,913.00	8,43,588.49
Add: Other Income	3,93,670.92	5,06,249.72
Total Income	13,84,583.92	13,49,838.21
Expenditure (excl. Depreciation)	9,58,812.3	12,29,346.12
Profits/(Loss) before Depreciation	4,25,771.62	1,20,492.09
Less: Depreciation	27,681.25	2,62,752.86
Profit/(Loss) before extraordinary items and tax	3,98,090.37	(1,42,260.77)
Less: Prior Period Expenses	1,014.11	109.00
Profit /(Loss) before Taxes	3,97,076.26	(1,42,369.77)
Less: Tax expense	17,839.94	(33,297.97)
Net Profit/(Loss) of the Year	3,79,236.32	(1,09,071.80)

2. REVIEW OF OPERATIONS (*Rs. In Hundreds):

During the year under review, the Company has earned total revenue including other income of *Rs. 13,84,583.92/- as against the previous year's amount of *Rs. 13,49,838.21/-. The expenditure incurred during the year (excluding depreciation) was *Rs. 9,58,812.3/- as compared to the previous year's amount of *Rs. 12,29,346.12/-. The depreciation provided during the year was *Rs 27,681.25/- as against the previous year amount of *Rs 2,62,752.86/-. As a result, the Company incurred a Net profit of *Rs 3,98,090.37/- during the year under review as compared to the net loss of *Rs (1,42,260.77)/- incurred during the previous year.

3.PERFORMANCE OF THE COMPANY:

1. Vision and Mission of the Company

To develop transformative and cutting-edge XR (Virtual Reality, Augmented Reality, and Mixed Reality) products across gaming, education, commerce, and other domains. ProYuga Advanced Technologies Limited (Hereinafter referred to as “ProYuga” or the “**Company**”) has already developed two world-class products, iB Cricket and Programmer VR.

2. Highlights from Previous Years

2.1 Brief about iB Cricket:

ProYuga’s flagship product, iB Cricket, was officially launched in 2018 in the presence of the then Hon'ble President of India, Shri Ram Nath Kovind. The custom made iB Cricket bat was unveiled by the then Electronics & IT Minister of India, Shri Ravi Shankar Prasad.

- iB Cricket is the world’s most advanced and highly immersive VR Cricket. It brings the thrill of playing cricket in world-class VR stadiums anytime, anywhere. This revolutionary format(Cricket as a vSport) combines the excitement of the sport with the power of Virtual Reality, redefining how cricket is played and experienced.
- iB Cricket has garnered widespread acclaim, not only among cricket enthusiasts but also from renowned international cricketers. Their praises highlight the platform’s exceptional authenticity and the precision with which it replicates the nuances of real-world cricket. Praise from professionals who regularly compete at the highest levels and in international stadiums serves as a strong testament to iB Cricket’s unmatched quality and deeply immersive experience.
- Cricketing Legends like Sunil Gavaskar, Muttiah Muralitharan and Harsha Bhogle were a part of the Gaming Advisory Council.
- With **over 1 Billion balls** played, iB Cricket is the World’s most played VR Cricket. So far, people from 40+ nationalities have played and loved the game, irrespective of age, gender, or cricketing experience.
- iB Cricket is amassing diehard fans across the globe.
 - iB Cricket continues to enjoy strong popularity, driven by its diverse gameplay modes. Its appeal is powered by high-fidelity graphics, immersive gameplay, and engaging mechanics, making it a standout title in the VR sports ecosystem.
 - For many users, it has become their go-to VR game, while several players have even purchased a VR headset solely to play iB Cricket. For many fans, playing iB Cricket has evolved into a daily ritual.

2.2 Partnerships & Associations:

Over the years, iB Cricket has forged strategic partnerships and associations across diverse domains, from cricketing fraternities and professional leagues to leading global brands and major movie productions. These collaborations have amplified visibility, strengthened fan engagement, and showcased iB Cricket's versatility in delivering impactful and memorable experiences.

- **Cricket Leagues and Franchises:** iB Cricket has been the Official VR Gaming Partner of 8 teams (RCB, CSK, KKR, RR, SRH, DC, KXIP, and LSG) over the last six IPL seasons. iB Cricket was the Official VR Cricket Partner of the Abu Dhabi T10 League 2019. Also, iB Cricket was the Principal Sponsor of Bengal Tigers (in the year 2018), one of the teams in the UAE T10 League.
- **Brands & Corporates:** Many Brands & Corporates such as Thums Up, DP World, IndusInd, Nestle, TATA Motors, Reliance Digital etc., have leveraged iB Cricket through PAN India Brand Activations, Experiential Marketing Campaigns, Community Engagement Events etc. With its stunning visuals, immersive gameplay, and the novelty of the experience, iB Cricket has left a lasting impression on clients, customers, and audiences alike, enabling brands to connect more deeply with their target segments. Wherever these events have been hosted, they have witnessed tremendous success, with iB Cricket consistently proving to be a major crowd-puller.
- **Movies:** iB Cricket has been the Official VR Gaming Partner to popular movies like **RRR**, **83**, **Sarileru Neekevvaru** and **Super30**.
 - 83 Movie has won the Best Experiential Marketing Award at the World Trailer Awards 2022.

2.3 VR Cricket Leagues

- In 2019, iB Cricket and Viu launched **Super Over League**, the World's First Celebrity VR Cricket League. Featuring 12 international cricket stars, including Virender Sehwag, Brendon McCullum, Suresh Raina, Andre Russell, and others, the league brought together some of the game's biggest names for an ultimate virtual face-off.
 - The league delivered thrilling contests, nail-biting chases, and epic finishes, culminating in a highly engaging finale. With an overall viewership surpassing **43 million**, the league not only showcased a new format of cricket but also reinforced iB Cricket's position as the world's most immersive VR Cricket.
- In FY 22-23, ProYuga announced the World's First Metaverse Cricket League - **Metaverse Super Star**. It offers cricket fans the chance to compete in world-class virtual reality stadiums and become the first-ever Metaverse Super Star.
 - 60,000+ people from across 10 states have participated in the Stage 1 events of the League, which were conducted at corporate offices, high footfall places such as malls, premium cafes, gaming zones etc.
 - The league has amassed an impressive reach of 55 million+.
- Whether through its leagues, engagement events, experiential marketing campaigns, or brand activation programs, iB Cricket has consistently proven to be a major crowd-puller.
- This not only validated the audience appetite for immersive cricket experiences but also demonstrated the long-term potential of iB Cricket evolving into a full-scale vSport.

2.4 How Ecosystem Giants are perceiving iB Cricket:

- **Meta:**
 - iB Cricket has been featured on **Meta's official social media channels**, where it was highlighted with statements such as
"ProYuga redefining India's most loved sport",
"Pushing the boundaries of immersive sports",
"Proyuga is Innovating for Tomorrow".
 - ProYuga has been invited to various Meta Developer Day Events, to demonstrate how iB Cricket is pushing the boundaries of VR gaming and user engagement.
- **Entrepreneur India:** Recognizing its world-class innovation and rapid growth, iB Cricket was awarded '**Startup of the year-VR technology**' in the year 2019 by Entrepreneur India, at Entrepreneur Annual Conclave 2019, the annual flagship event of Entrepreneur Media.
- **Blume Ventures:** Blume Ventures' XR thesis emphasized that XR presents a unique opportunity for India to build the next global B2C app and spotlighted iB Cricket as one of the emerging XR innovations built from India.
- **Blume and Treemouse:** Blume Ventures and Treemouse, together with Meta have published an XR report titled "Accelerating India's potential to address the Global XR Opportunity". The report presented a multi-stakeholder point of view on India's evolving XR ecosystem and the opportunities it has to assume global prominence. ProYuga was featured in the Startup Showcase of the report.

2.5 Programmer VR:

- In FY 23-24, ProYuga launched Programmer VR, a first-of-its-kind VR/MR app on the Meta Main Store(now, Meta Quest Store). It's a gamified & easy way to learn programming by solving fun puzzles.
- Programmer VR has been receiving strong positive feedback from users. It was also featured in the "**Most Innovative Apps**" and "**Best of November '23**" categories by Meta.

3. Market Scenario:

During FY2019-20, backed by a top-quality, globally competitive product and a strong foundation of strategic associations and partnerships, the company had made comprehensive preparations and was well-positioned for large-scale expansion.

Major players, including Meta, Sony, HTC, Microsoft, HP and others, had entered the XR headset manufacturing space with significant production and distribution plans for the coming years. However, the onset of the COVID-19 pandemic, followed by global market uncertainties and geopolitical tensions, significantly disrupted these plans. The after-effects of the pandemic, coupled with supply chain disruptions and global trade uncertainties, prompted these industry leaders to adopt a cautious "wait-and-watch" approach toward mass-scale XR headset production. This cautious stance continues even today. In addition to this, none of the major manufacturers have made their headsets available directly in

India at scale, nor are they actively marketing them in the region.

As a result, the widespread adoption of VR/XR technologies has been delayed, leading to a persistent supply-demand imbalance that continues to constrain XR market penetration

Despite prevailing challenges in hardware availability and market uncertainties, the Company believes that widespread XR headset adoption is a matter of “when,” not “if,” given the pace of technological innovation, the substantial investments in the ecosystem, the fact that XR headsets are becoming increasingly powerful, affordable, and portable, and the emergence of use cases across sectors such as defense, healthcare, education, and retail, all underscoring its inevitable role as a mainstream technology in the years ahead. Additionally, with technology companies emerging and the manufacturing ecosystem on the rise in India, positive trends are becoming increasingly visible. With this clarity, the Company has focused on strengthening iB Cricket’s core experience, making it more robust, content-rich, and future-ready. As a result, iB Cricket stands among the most celebrated vSports globally and is well-positioned to scale rapidly as XR hardware becomes more widely accessible.

4. Business Operations & Key Developments for FY 24-25

Below are the key business operations and achievements during the year:

4.1 Brand Activations & Experiential Marketing Campaigns with iB Cricket

It was an action packed Cricketing Season for iB Cricket, with hundreds of events across 25+ Cities and a digital reach of millions across various channels.

- **Associations during IPL 2024:**

During IPL 2024, iB Cricket further strengthened its association with top-tier cricket franchises.

Official VR Partner for Lucknow Super Giants and Punjab Kings:

- iB Cricket setups were installed at the home stadiums of the respective franchises, where fans lined up in large numbers to play iB Cricket and elevate their match-day excitement. The initiative successfully doubled the cricketing fever at the venues and delivered a memorable, immersive experience to both players and fans alike.
- As part of this collaboration with Punjab Kings, their cricket stars including Shashank Singh, Ashutosh Sharma, Prabhsimran Singh etc., experienced iB Cricket by facing Kagiso Rabada’s virtual bowling avatar and thoroughly enjoyed the immersive gameplay. Among themselves, the players even competed in a Super Over Challenge, making it an engaging and entertaining experience for the team.

Rajasthan Royals was the Official Client of the company:

- As part of this association, #RoyalsFans were introduced to iB Cricket through the Rajasthan Royals’ innovative “Cricket on Wheels” initiative, a pan-Rajasthan SMS-Stadium on wheels. The bus traveled across Jaipur, Udaipur, and Jodhpur, bringing the in-stadium cricket experience directly to fans who were far from the live action.
- The campaign received an overwhelming response, with long queues of enthusiastic fans eager to experience VR cricket firsthand. The energy and excitement were palpable, making the initiative a huge success and further strengthening iB Cricket’s association with

premier cricketing brands.

- **Madhya Pradesh League:** iB Cricket was the **Official VR Gaming Partner** for the Madhya Pradesh League Scindia Cup 2024, engaging both cricketers and enthusiasts throughout the tournament. Prominent players, including Rajat Patidar, Venkatesh Iyer, Kuldeep Sen etc., loved playing iB Cricket and appreciated iB Cricket's realistic and immersive gameplay, often challenging themselves to achieve higher scores within the experience.
- **Mr & Mrs. Mahi Movie:** iB Cricket was the **Official VR Partner** for "Mr & Mrs. Mahi", a movie produced by Zee Studios and Dharma Productions and starring Rajkummar Rao and Janhvi Kapoor in the lead roles.
 - As part of the collaboration, Janhvi Kapoor and Rajkummar Rao went head-to-head in the iB Cricket Super Over Challenge, creating an exciting face-off. To amplify engagement, the actors challenged fans across the country to visit the nearest iB Cricket Arcade, play the "Mr. & Mrs. Mahi Special Edition Game", and hit boundaries just like them.
 - This nationwide campaign generated fan participation, driving footfalls to iB Cricket Arcades and further strengthening the brand's presence. Winners from the campaign were awarded exclusive prizes.
- **Top choice for several brands:** Several leading brands, including Veedol, DP World, Decathlon, Reliance Digital etc., partnered with iB Cricket during the year to execute successful brand activations and experiential marketing campaigns, leveraging the platform's immersive engagement to connect with audiences and amplify the fan-engagement.

These associations enabled cricket fans across the country to immerse themselves in iB Cricket's virtual stadiums, amplifying their excitement and elevating the overall experience during the cricketing season.

4.2 Virality across the globe:

iB Cricket's popularity continues to grow, fueled by organic user-generated content that consistently attracts millions of views across platforms. A growing community of content creators and influencers is actively producing engaging gameplay videos, further amplifying the brand's reach and visibility.

The product's strong presence in digital conversations is evident - a simple Google search for "VR Cricket" prominently highlights iB Cricket at the forefront of the category. This organic virality, driven by player passion and community engagement, has played a pivotal role in expanding awareness, driving adoption, and strengthening iB Cricket's positioning as the world's leading VR cricket.

4.3 iB Cricket Featured in Meta Horizon+

iB Cricket has been handpicked by Meta as one of top games globally, to be featured in Meta Horizon+, Quest's exclusive content subscription program. This recognition places iB Cricket alongside flagship VR titles and hidden gems, significantly enhancing its discoverability among millions of Quest users worldwide.

Being part of Meta Horizon+ not only elevates iB Cricket's brand positioning but also drives sustained user engagement. This selection underscores iB Cricket's standing as one of the most celebrated vSports globally and highlights its growing influence in the VR ecosystem.

4.4 Location-Based Experience Zones

iB Cricket continues to strengthen its footprint across India through its Location-Based Experience Zones, delivering immersive and world-class VR cricket experiences to audiences nationwide. With a presence spanning 17 states and 40 cities, these zones cover Tier 1, Tier 2, and Tier 3 markets, making iB Cricket accessible to cricket enthusiasts across diverse demographics.

These experience zones include Metaverse Cricket Stadiums, Business Editions, and Enterprise Editions, each designed to provide high-quality, engaging, and memorable experiences. They have been performing well, consistently witnessing repeat participation, with players returning to relive the excitement and purchase games multiple times.

4.5 Enhancing Product Depth and Player Engagement

During the year, iB Cricket continued to evolve as a product, driven by a strategic combination of focused product updates and sustained user adoption. Player engagement remains strong; users have collectively played over one billion balls to date, underscoring the game's immersive quality, replayability, and long-term appeal.

This growth has been fueled by continuous enhancements to the overall game. Gameplay depth has expanded through the introduction of new modes such as Target Chasing, Unlimited Overs in Custom Tournaments, and the Expert League (Hard Difficulty), offering greater challenges and variety. Personalization features, including custom bat and bowler naming, themed bat skins, and city-based teams, empower players to create unique and personal experiences. On the technical front, the deployment of the proprietary Enhanced Bat Tracking Algorithm has significantly improved precision and fluidity across headsets, even within current hardware constraints. In addition, content expansion with new stadiums, mythic-inspired venues, enhanced leaderboards, redesigned scoreboards, and improved replay mechanics, has elevated the overall gameplay experience, ensuring that players remain deeply engaged and invested in the platform.

4.6 Other Services

Beyond its world-class products, the Company has provided complementary technology services, leveraging its deep expertise in XR, software engineering, and immersive content creation.

Consulting and guiding the clients on developing XR-ready 3D assets and API-powered intelligent systems; designing and deploying advanced CAD systems; and providing blockchain-based solutions that enable secure digital transactions, asset tokenization, and decentralized applications.

Through these initiatives, the Company has extended its core capabilities to serve broader markets, creating additional revenue streams while maintaining its flagship offerings.

General Disclaimer:

This Directors' Report contains information regarding ProYuga Advanced Technologies Limited, its affiliates, subsidiaries, products (including iB Cricket, Programmer VR, and other offerings), business operations, partnerships, collaborations, sponsorships, and achievements. All such partnerships, collaborations, and associations referenced herein have been entered into by ProYuga or its affiliates/subsidiaries.

Definitions

For the purposes of this Directors' Report, references to iB Cricket may be used interchangeably to describe the brand, the Company and its affiliates/subsidiaries, its products, services, platforms, experiences, or any component of the broader ProYuga ecosystem.

4. ANNUAL RETURN:

As required under Clause (a) to Sub-section (3) of Section 134 of the Companies Act, 2013, Annual Return in Form MGT-7 as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 is placed on the website of the Company i.e., <https://info.proyuga.tech/AnnualReturn>.

5. PARTICULARS OF MEETINGS OF THE COMPANY CONDUCTED DURING THE YEAR UNDER REVIEW:

- a. The Company has complied with the procedures relating to the Meetings.
- b. The meetings are usually held at the Offices of the Company or at any other place within India.
- c. The draft Minutes are circulated to the Members of the Board or committees for their comments and are duly recorded in the concerned books.
- d. The minutes of the General Meetings of the Company are duly recorded in the concerned books.

I. MEETINGS OF THE BOARD OF DIRECTORS:

- (i) During the Financial Year 2024-25, 08 (Eight Only) Board Meetings were held.
- (ii) The maximum time gap between two Board Meetings was not more than one hundred and twenty (120) days.
- (iii) In addition, during the year, two (2) circular resolutions were passed on September 26, 2024, and October 9, 2024, which were duly noted at the subsequent meetings of the Board of Directors.
- (iv) The Dates of the Board Meetings are as follows:

S. No.	Date of Meeting of Board of Directors	Board Strength	No. of Directors present	% of Attendance of Directors
1.	29-Apr-2024	06	03	50%
2.	22-Jun-2024	06	04	67%
3.	19-Aug-2024	06	04	67%
4.	05-Sep-2024	06	04	67%
5.	30-Sep-2024	06	04	67%
6.	03-Jan-2025	06	03	50%
7.	31-Jan-2025	06	04	67%
8.	27-Mar-2025	06	04	67%

II. COMMITTEES OF THE BOARD AND THEIR MEETINGS:

Currently, there are three Committees constituted by the Board in accordance with the provisions of the Companies Act, 2013 and other applicable laws. These are:

A) AUDIT COMMITTEE:

i) Composition of the Audit Committee:

The Audit Committee of the Company is duly constituted in accordance with the provisions of Section 177 of the Companies Act, 2013. The Committee presently comprises two Independent Directors and one Whole-time Director. The Chairman of the Committee is Ms. Thanmai Gurijala, Independent Director, with Mr. Venugopal Rao Kancharla, Independent Director, and Mr. Sai Kiran Nallapaneni, Whole-time Director, as its Members.

ii) Meetings of the Audit Committee:

During the financial year ended March 31, 2025, five (5) meetings of the Audit Committee were held on June 22, 2024, August 19, 2024, September 5, 2024, September 30, 2024, and March 27, 2025. The details of attendance are as follows:

S. No.	Date of Meeting	Total Number of Members as on the date of meeting	Number of members attended	% of Attendance of Members
1.	22-Jun-2024	3	2	67%
2.	19-Aug-2024	3	2	67%
3.	05-Sep-2024	3	3	100%
4.	30-Sep-2024	3	3	100%
5.	27-Mar-2025	3	3	100%

B) NOMINATION AND REMUNERATION COMMITTEE:

i) Composition of the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is duly constituted in accordance with the provisions of Section 178 of the Companies Act, 2013. The Committee presently comprises two Independent Directors and one Director(Non-Executive). The Chairman of the Committee is Ms. Thanmai Gurijala, Independent Director, with Mr. Venugopal Rao Kancharla, Independent Director, and Mr. Sai Teja manchukanti, Director(Non-Executive), as its Members.

ii) Meetings of the Nomination and Remuneration Committee:

During the financial year ended March 31, 2025, four (4) meetings of the Nomination and Remuneration Committee were held on June 20, 2024, September 30, 2024, January 3, 2025, and January 31, 2025. The particulars of attendance at the said meetings are as follows:

S. No.	Date of Meeting	Total Number of Members as on the date of meeting	Number of members attended	% of Attendance of Members
1.	20-Jun-2024	3	2	66.67%
2.	30-Sep-2024	3	2	66.67%
3.	03-Jan-2025	3	2	66.67%
4.	31-Jan-2025	3	2	66.67%

C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

i) Composition of the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee of the Company has been duly constituted in accordance with the provisions of Section 178 of the Companies Act, 2013. The Committee presently comprises Mr. Sai Teja Manchukanti, Non-Executive Director, as Chairman, along with Mr. Sriram G Teja, Director(w.e.f 30.09.2024) and Mr. Sai Kiran Nallapaneni, Whole-time Director, as Members.

ii) Meetings of the Stakeholders' Relationship Committee:

During the financial year ended March 31, 2025, one meeting of the Stakeholders' Relationship Committee was held on March 27, 2025, and the particulars of attendance of the said meeting is as follows:

S. No.	Date of Meeting	Total Number of Directors as on the date of meeting	Number of Directors attended	% of Attendance of Directors
1.	27-Mar-2025	3	2	66.67%

III. MEETINGS OF GENERAL MEETINGS

During the year under review, two general meetings of the Company were held — an Extraordinary General Meeting (EGM) on September 12, 2024, and the Annual General Meeting (AGM) on September 30, 2024.

IV. INDEPENDENT DIRECTORS MEETINGS:

During the financial year ended March 31, 2025, one meeting of the Independent Directors was held on March 27, 2025, which was attended by both the Independent Directors of the Company, namely, Ms. Thanmai Gurijala and Mr. Venugopal Rao Kancharla. The details of attendance are as follows:

S. No.	Date of Meeting	Total Number of Directors as on the date of meeting	Number of Directors attended	% of Attendance of Directors
1.	27-Mar-2025	2	2	100%

6. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement:—

- (a) in the preparation of the annual accounts for the year ended March 31, 2025 , the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year March 31, 2025 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts for period ended March 31, 2025 on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12), OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

The Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company.

8. DECLARATION BY INDEPENDENT DIRECTOR(S) AND REAPPOINTMENT, IF ANY

All the Independent Directors of the Company have submitted their declarations under Section 149(6) of the Companies Act, 2013 confirming that they meet the criteria of independence. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Act and the Rules made thereunder and are independent of the management. Further, the Board is of the opinion that the Independent Directors possess the requisite integrity, expertise and experience, including proficiency, as required under the Companies Act, 2013 and the relevant rules.

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

The Company's Nomination and Remuneration Policy provides a framework for the appointment, remuneration, and evaluation of Directors, Key Managerial Personnel (KMP), Senior Management, and other employees. The detailed policy is available on the Company's website at the following link: <https://info.proyuga.tech/Policies>

The key elements of the policy are as follows:

1. **Appointment of Directors and KMP:** Criteria are established for determining qualifications, competencies, positive attributes, and independence for appointment.
2. **Remuneration:** The policy ensures that remuneration is reasonable and sufficient to attract, retain, and motivate Directors, KMP, and Senior Management. It provides a balance between fixed and incentive pay, reflecting short-term and long-term performance objectives aligned with the Company's goals.
3. **Performance Evaluation and Discharge of Duties:** The policy specifies the manner for effective evaluation of the performance of the Board, its Committees, individual Directors, and KMP, to ensure that responsibilities are discharged effectively and in alignment with their roles.
4. **Board Diversity:** The policy promotes diversity in the composition of the Board of Directors.
5. **Other Matters:** The policy covers other matters as may be determined by the Company to ensure good governance, accountability, and effective management.

10. EXPLANATION OR COMMENTS BY THE BOARD ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS UNDER SUB-SECTION 3(f) OF SECTION 134 OF THE COMPANIES ACT' 2013:

The Auditors' Report for the financial year under review is unqualified. The notes to the accounts and the observations, if any, made by the Auditors are self-explanatory and do not require any further comments from the Board.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The particulars of loans given, guarantees provided and investments made during the year under review, as required under Section 186 of the Companies Act, 2013, are disclosed in the Notes to the Financial Statements forming part of this Annual Report.

12. STATE OF COMPANY'S AFFAIRS UNDER SUB-SECTION 3(i) OF SECTION 134 OF THE COMPANIES ACT' 2013:

During the year under review the Company was engaged in the business to develop, trade, own, run, manage, carry on research and development of products in advanced technologies and such other objects as mentioned in the Memorandum of Association of the Company.

13. THE AMOUNTS, IF ANY, WHICH IT PROPOSES TO, CARRY TO ANY RESERVES UNDER SUB-SECTION 3(j) OF SECTION 134 OF COMPANIES ACT, 2013:

Pursuant to sub-section (3)(j) of Section 134 of the Companies Act, 2013, the Board of Directors has proposed to transfer a portion of the profits for the financial year ended March 31, 2025, to the General Reserve, as disclosed in the accompanying financial statements.

14. DIVIDEND:

The Board of Directors, after reviewing the Company's performance, financial position and future growth requirements, has decided not to recommend any dividend for the financial year ended March 31, 2025.

15. MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

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, i.e., March 31, 2025, and the date of this Report.

16. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY FOR THE COMPANY AS REQUIRED UNDER CLAUSE (n) TO SUB-SECTION (3) OF SECTION 134:

The Company is not required to frame a formal Risk Management Policy as the elements of risk threatening its existence are very minimal. However, the Board of Directors periodically reviews and discusses potential risks, and appropriate measures are taken as and when considered necessary to ensure that the business operations remain stable.

17. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR UNDER CLAUSE (o) TO SUB-SECTION (3) OF SECTION 135 OF COMPANIES ACT, 2013:

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company. Accordingly, the Company has not developed and implemented any CSR initiatives during the financial year ended March 31, 2025.

18. PERFORMANCE EVALUATION OF DIRECTORS, BOARD, COMMITTEES, AND KEY MANAGERIAL PERSONNEL (KMP):

In accordance with **Section 178 of the Companies Act, 2013**, the Company has established a Nomination and Remuneration Committee (NRC) responsible for overseeing the performance evaluation of the Board, its Committees, individual Directors, and Key Managerial Personnel (KMP).

The Act requires a formal annual assessment of the Board's performance, its Committees, and individual Directors. **Schedule IV** specifies that the evaluation of Independent Directors should be carried out by the Board, excluding the Directors under review.

For the **Financial Year 2024-25**, the annual performance evaluation was conducted through detailed questionnaires circulated to all members of the Board and its Committees. The evaluation process focused on a broad set of parameters to ensure a comprehensive review.

Key Managerial Personnel (KMP): The evaluation considered professional qualifications, experience, knowledge and competency in their respective domains, understanding of the Company's operations, fulfillment of responsibilities assigned by the Board, teamwork, initiatives taken, availability, commitment, contributions during meetings, integrity, and the ability to provide and seek relevant information for effective decision-making.

Board of Directors (Non-Independent Directors): Assessment criteria included Board composition and diversity, collective competence, mix of qualifications and experience, transparency in appointments, regularity and frequency of meetings, depth of discussions, governance and compliance oversight, risk management, conflict of interest handling, engagement with stakeholders, and periodic review of the evaluation framework.

Independent Directors: The evaluation emphasized adherence to ethical standards, integrity, objectivity and independence in decision-making, time commitment, constructive participation in meetings, oversight of performance and risk assessment, vigilance over internal controls, compliance with relevant codes and regulations, disclosure of conflicts, and overall professional conduct during their tenure.

The NRC reviewed the performance of the Board, its Committees, individual Directors, and KMP, excluding those under evaluation. Additionally, a separate meeting of Independent Directors was convened to assess the performance of Non-Independent Directors and the Board as a whole, incorporating feedback from Executive and Non-Executive Directors.

Based on the consolidated inputs received, the Board, its Committees, individual Directors, and KMP were assessed as performing satisfactorily. The Directors expressed their appreciation for the evaluation process and acknowledged its effectiveness.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 IN THE PRESCRIBED FORM:

During the year under review, the Company entered into transactions with related parties and these transactions were conducted in the ordinary course of business and on an arm's length basis. Details of these transactions have been disclosed in Form AOC-2, marked as **Annexure-I**.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, IN SUCH MANNER AS MAY BE PRESCRIBED UNDER SUB-SECTION 3(m) OF SECTION 134 OF COMPANIES ACT, 2013:

The particulars as prescribed under Section 134 (3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption are provided as under:

A. CONSERVATION OF ENERGY:

(i) **Steps taken or impact on conservation of energy:** Conservation of energy is an ongoing process in the Company. Every effort is made towards optimum utilization of energy. Efforts are also directed towards eliminating wastage in all areas of operations

(ii) **Steps taken for utilizing alternate sources of energy:** Nil.

(iii) **Capital investment on energy conservation equipment:** Since there are no specific conservation measures required to be taken, no investment is proposed. The same will be undertaken as and when necessary by the Company.

B. TECHNOLOGY ABSORPTION:

The Company has access to and strived for technology absorption wherever applicable. The Board has been constantly endeavoring for implementation of advanced technologies.

- i. Efforts were made towards technology absorption: The Company has made continuous efforts towards technology absorption and implementation of advanced technologies wherever applicable.
- ii. benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution: These efforts have contributed towards improvement in processes and operational efficiency.
- 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:
 - a) Details of technology imported - Nil
 - b) Year of import - Nil
 - c) Whether the technology been fully absorbed - Nil
 - d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore - Nil
- iv. Expenditure incurred on Research and Development - Nil

C. FOREIGN EXCHANGE EARNINGS /OUTGO:

In accordance with the provisions of 134 (3)(m) of the Companies Act, 2013 read with Companies' (Accounts) Rules, 2014, the information relating to Foreign Exchange Earnings and Outgo is provided as under:

Particulars	F.Y 2024-25 Rs	F.Y 2023-24 Rs
Foreign Exchange Earnings in (Rs.)	386,610.16	10,04,303.53
Foreign Exchange Outgo	30,071.87	208,367.33

21. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business of the Company during the financial year ended March 31, 2025.

22. SUBSIDIARIES, JOIN VENTURES AND ASSOCIATE COMPANIES:

During the financial year under review, the Company did not have any Subsidiary, Joint Venture, or Associate Company.

23. DETAILS OF DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly:

- (a) No deposits were accepted during the year;
- (b) No deposits remained unpaid or unclaimed as at the end of the year; and
- (c) There has been no default in repayment of deposits or payment of interest thereon during the year.

24. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review, there were no significant or material orders passed by any Regulators, Courts, or Tribunals that would impact the Company's going concern status or its future operations.

The Board wishes to inform the members that the Company has filed an application before the Dispute Resolution Panel (DRP) of the Income Tax Department in respect of draft assessment order No. ITBA/AST/F/144C/2024-25/1073835245(1) dated 28th February 2025, relating to ongoing tax assessment proceedings for the relevant financial year. These proceedings are being actively monitored and, based on the current status, are not expected to materially affect the Company's operations or its ability to continue as a going concern.

25. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to the financial statements. These controls are commensurate with the size and nature of the business and are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in compliance with applicable accounting standards and the provisions of the Companies Act, 2013.

The internal financial controls were operating effectively during the year under review and no material weaknesses were observed.

26. MAINTENANCE OF COST RECORDS:

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

27. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has always believed in providing a safe and harassment free workplace for every individual working in premises and always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year ended 31 March, 2025:

(a) Number of complaints of sexual harassment received during the year: **Nil**

(b) Number of complaints disposed of during the year: **Nil**

(c) Number of cases pending for more than ninety days: **Nil**

28. DETAIL OF APPLICATIONS / PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016.

During the year under review, pursuant to Section 134(3) (q) of the Companies Act, 2013 read with Rule 8(5) (xi) of Companies (Accounts) Rules, 2014, there was no applications / proceedings under insolvency and bankruptcy code, 2016 has been initiated against the Company

29. 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:

Pursuant to Section 134(3)(q) of the Companies Act read with Rule 8(5)(xii) of Companies (Accounts) Rules, 2014, the Company has not made any OTS with the banks / financial institutions during the year under review, hence, no valuation was done..

30. COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT 1961

The Board confirms that it has complied with the provisions of the Maternity Benefit Act, 1961, as applicable, ensuring that all eligible female employees are provided with the benefits and entitlements prescribed under the Act during the financial year under review.

31. AUDITORS:

(A) STATUTORY AUDITORS:

The term of the statutory auditors of the Company, **M/s. R V K S and Associates (FRN: 008572S), Chartered Accountants, Hyderabad** expires at the ensuing Annual General Meeting. The Board proposed to re-appoint them as Statutory Auditors as set out in the notice, for a further period of 5 years i.e. from the conclusion of ensuing Annual General Meeting till the date of conclusion of the Thirteenth Annual General Meeting of the Company to be held in the calendar year 2030 at such remuneration plus GST, Out of Pocket, Travelling and Living expenses, etc. as may be mutually agreed to between the Board of Directors and the Auditor. The Company has received a consent letter and certificate from them stating that their appointment, if made, would be within the limits as prescribed under Section 141 of the Companies Act, 2013.

(B) INTERNAL AUDITORS:

The provisions of section 138 of Companies Act, 2013 read with Rule 13 of Company (Accounts) Rules, 2014 are Not applicable to the Company.

(C) SECRETARIAL AUDITORS:

The Provisions of Section 204 of the Companies Act, 2013 read with the rules made there under are not applicable to the Company.

32. ANNUAL GENERAL MEETING:

The Eighth Annual General Meeting of the Company is scheduled to be held on Monday, the 29th September, 2025. The details of the Agenda and Resolutions to be passed were set out in the Notice given to Members.

33. PARTICULARS OF EMPLOYEES:

The disclosure required under Section 197 of the Act read with the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure-II and forms an integral part of this report. A statement comprising the names of top 10 employees in terms of remuneration drawn and every person is employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-II**.

The above annexure is not being sent along with this annual report to the members of the Company in line with the provisions of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary/CFO, up to the date of the ensuing Annual General meeting during the business hours on working days.

34. MANAGEMENT DISCUSSIONS AND ANALYSIS:

The Board has been continuing its efforts and has taken the required steps in the areas of Industry structure and Development, Growth Strategy, Financial Performance, Operational Performance, Leadership Development, Talent Retention, Learning and Development.

35. CONSTITUTION OF THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

As on 31st March, 2025, the Board comprises of the following Directors and Key Managerial Personnel:

S. No	DIN/PAN	Name of the Director	Designation
1.	07126477	Vasantha Sai Sama	Whole Time Director
2.	CIUPP9443G	Sai Sasank S Ganesh Parimi	Chief Executive Officer
3.	BPSPR0856P	Karumuru Gowtham Reddy	Chief Financial Officer
4.	08591597	Venugopal Rao Kancherla	Independent Director
5.	07795458	Sriram G Teja	Director (Executive) w.e.f 30.09.2024
6.	09507261	Sai Kiran Nallapaneni	Whole Time Director
7.	07596317	Sai Teja Manchukanti	Director (Non Executive)
8.	09688088	Thanmai Gurijala	Independent Director
9.	COXPG3115B	Vasavi Latha Garapati	Company Secretary & Compliance Officer w.e.f 01.02.2025

During the year under review, the following changes took place in the constitution of the Board of Directors of the Company:

SL.No	Name of the Director/KMP	DIN/PAN/Member ship no	Appointment/Re-appointment/cessation/change in designation	With effect from
1.	Thanmai Gurijala	09688088	Regularization as Independent Director from Additional Director	30.09.2024
2.	Venugopal Rao Kancherla	08591597	Regularization as Independent Director from Additional Director	30.09.2024
3.	Sriram G Teja	07795458	Change in designation from Wholetime Director to Director (Executive)	30.09.2024

4.	Vasavi Latha Garapati	COXPG3115B	Appointment as a Company Secretary	01.02.2025
5.	Praveen Jha	BITPJ6480R	Resigned as a Company Secretary	03.08.2024

After the closure of the financial year, Mr Sriram G Teja (DIN : 07795458) ceased to be Director (Executive) due to resignation w.e.f 05.09.2025.

B. INDEPENDENT DIRECTORS:

Independent Directors of the Company as on 31.03.2025 are:

S. No	DIN	Name of the Director	Designation
1	08591597	Venugopala Rao Kancherla	Independent Director
2	09688088	Thanmai Gurijala	Independent Director

The statutory role of the Independent Directors Committee is to review the performance of the non-Independent Directors, and the Board, and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

During the financial year ended 31st March, 2025 one meeting of the Independent Directors Committee was held on 27.03.2025.

C. RETIREMENT BY ROTATION:

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Manchukanti Sai Teja (DIN: 07596317), Director(Non-Executive) of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

D. KEY MANAGERIAL PERSONNEL:

The provisions relating to appointment of Key Managerial Personnel under Section 203 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are applicable to the Company.

i) Chief Executive Officer:

Mr. Sai Sasank S Ganesh Parimi has been continuing as CEO of the Company.

ii) Chief Financial Officer:

Mr. Karumuru Gowtham Reddy has been continuing as CFO of the Company.

iii) Wholetime Director:

Mr. Vasantha Sai Sama and Mr. Sai Kiran Nallapaneni have been continuing as Wholetime Directors of the Company as on 31.03.2025.

During the year under review, Mr Sriram G Teja has been re-designated as Director (Executive) from Wholetime Director w.e.f 30.09.2024.

iv) Whole-Time Company Secretary:

Mr. Praveen Jha tendered his resignation on 03.08.2024 due to personal reasons. The casual vacancy caused by the resignation was filled up by the Board by appointing Ms. Vasavi Latha Garapati as Company Secretary of the Company w.e.f 01.02.2025.

36. SHARE CAPITAL:

a. AUTHORISED SHARE CAPITAL:

The Authorized Share Capital of the Company is INR 175,00,00,000/- (Rupees One Hundred and Seventy Five Crores Only) as on 31.03.2025.

b. ISSUED AND PAID UP CAPITAL:

The Issued and Paid-up Share Capital of the Company is INR 28,89,80,118/- (Rupees Twenty Eight Crores Eighty Nine Lakhs Eighty thousand One Hundred and Eighteen Only) as on 31.03.2025.

c. ISSUE OF SHARES:

During the year under review, 2,23,66,985 Equity Shares of face value of Re 1/- each were allotted on 09.10.2024 by way of preferential allotment for consideration other than cash.

d. BUY BACK OF SECURITIES:

The Company has not bought back any of its Securities during the year under review.

e. SWEAT EQUITY:

The Company has not issued any Sweat Equity Shares during the year under review.

f. BONUS SHARES:

No Bonus Shares were issued during the year under review.

g. EMPLOYEES STOCK OPTION PLAN:

The Company has not provided any Stock Option Scheme to the Employees.

h. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS:

The Company has not issued any Equity Shares with differential Rights during the year.

i. PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES:

The Company has not provided any money for purchase of own Shares, by Employees or by Trustees for the benefits of Employees.

37. TRANSFER OF UNCLAIMED DIVIDEND / AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

During the year under review, there were no amounts of dividend or other funds lying unpaid or unclaimed with the Company for a period of seven years or more. Accordingly, no amounts were required to be transferred to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013.

38. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

39. VIGIL MECHANISM POLICY:

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the requirement to establish a Vigil Mechanism / Whistle Blower Policy is applicable only to certain classes of companies. Since the Company does not fall within the prescribed thresholds, the provisions relating to Vigil Mechanism are not applicable. Accordingly, no Vigil Mechanism Policy has been adopted by the Company.

40. ACKNOWLEDGEMENTS:

The Board places on record its sincere appreciation and gratitude to all stakeholders, including shareholders, customers, business partners, bankers, financial institutions, and other associates, for their continued support and cooperation. The Board also acknowledges the dedication, hard work, and commitment of all employees, which has contributed significantly to the growth and performance of the Company.

By Order of the Board
For **ProYuga Advanced Technologies Limited**
Sd/-
Sai Kiran Nallapaneni
Wholetime Director
DIN: 09507261

Sd/-
Manchukanti Sai Teja
Director (Non-Executive)
DIN: 07596317

Date: 05.09.2025

Place: Hyderabad



Annexure-I

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 Arms Length Transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S. No.	Particulars	Details
a)	Name (s) of the Related Party & nature of relationship	--
b)	Nature of Contracts/Arrangements/Transaction	--
c)	Duration of the Contracts/Arrangements/Transaction	---
d)	Salient terms of the Contracts or Arrangements or Transaction including the value, if any	--
e)	Justification for entering into such Contracts or Arrangements or Transactions'	--
f)	Date of approval by the Board	--
g)	Amount paid as advances, if any	--
h)	Date on which the Special Resolution was passed in General meeting as required under first proviso to Section 188	--

Registered address :

Plot No: 30, Brigade Towers, East Wing, Ground
Floor, Nanakramguda, Financial District, Gachibowli,
Hyderabad-500032, Telangana, India.

+91 8008 76 76 76

company@proyuga.tech

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

S. No.	Name (s) of the Related Party & nature of relationship	Nature of Contracts/ Arrangements/ Transaction	Salient terms of the Contracts or Arrangements or Transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1.	<p>Name of the Related Party: Kenwise Management Services LLP (the "Kenwise")</p> <p>Nature of relationship: Mr. Sriram G Teja, Director is a Partner in Kenwise</p>	Rental Income on Leasing of Property to Kenwise	<ol style="list-style-type: none"> 1. Nature of Service: Rental Income 2. Pricing:--same terms as original agreement and at arm's length basis 3. Tenure: NA 4. Advance, if any: NA 5. Actual Value incurred during the F.Y. 2024-25: Rs. 3,560/- 6. Relevant Section: 188(1)(c) 	<p>Audit Committee Approval : 07.06.2021</p> <p>Board Approval: 16.06.2021</p>	-
2.	<p>Name of the Related Party: Coscale Management Services LLP (the "Coscale")</p> <p>Nature of relationship: Mr. Sai Kiran Nallapaneni, Mr. Sai Teja Manchukanti, Ms. Thanmai Gurijala, Mr. Venugopala Rao Kancherla, and relatives of Mr. Sriram G. Teja Directors of the</p>	Rental Income on Leasing of Property to Coscale	<ol style="list-style-type: none"> 1. Nature of Service: Leasing Services 2. Pricing:--same terms as original agreement and at arm's length basis 3. Tenure: NA 4. Advance, if any: NA 5. Actual Value incurred during the F.Y. 2024-25: Rs. 42,000/- 6. Relevant Section: 188(1)(c) 	<p>Audit Committee Approval : 07.06.2021</p> <p>Board Approval: 16.06.2021</p>	

	Company were partners in Coscale until 07th December 2024.				
3.	<p>Name of the Related Party: Coscale Management Services LLP (the "Coscale ")</p> <p>Nature of relationship: Mr. Sai Kiran Nallapaneni, Mr. Sai Teja Manchukanti, Ms. Thanmai Gurijala, Mr. Venugopala Rao Kancherla, and relatives of Mr. Sriiram G. Teja Directors of the Company were partners in Coscale until 07th December 2024.</p>	Accounting, HR and Legal Services Taken from Coscale	<ol style="list-style-type: none"> 1. Nature of Service: Management, Compliance and Financial Services 2. Pricing: same terms as original agreement and at arm's length basis 3. Tenure: NA 4. Advance, if any: NA 5. Actual Value incurred during the F.Y. 2024-25: Rs. 5,00,000/- 6. Relevant Section: 188(1)(d) 	Audit Committee Approval : 29.03.2022 Board Approval: 28.05.2022	
4.	<p>Name of the Related Party: CyberEye Research Labs and Security Solutions Private Limited(the "CyberEye ")</p> <p>Nature of relationship: Mr Vasantha Sai Sama's (Wholetime Director) relative is a shareholder</p>	Rental Income on Leasing of Property to Cybereye	<ol style="list-style-type: none"> 1. Nature of Service: Leasing services 2. Pricing: Lease Amount - 6,667 Per Month till March'25, and 7000/- Per Month Thereafter 3. Tenure- 11 Months 4. Advances, if any: Interest Free security Deposit- Rs.1,80,000/- 5. Actual Value incurred during the F.Y. 2024-25: Rs. 53,340/- 6. Relevant Section: 	Audit Committee Approval : 22.06.2024 Board Approval: 22.06.2024	

5.	Name of the Related Party: Nxtwave Disruptive Technologies Private Limited (the "Nxtwave") Nature of relationship: Mr Vasantha Sai Sama's (Wholetime Director) relative is a shareholder	Sale of Business License	188(1)(c) 1. Nature of Service: Business Edition License 2. Pricing: Rs.1,18,000 including taxes and at arm's length basis 3. Tenure- 1 Year 4. Advance, if any: NIL 5. Actual Value incurred during the FY. 2024-25: Rs. 1,00,000/- 6. Relevant Section: 188(1)(d)	Audit Committee Approval : 30.09.2024 Board Approval: 30.09.2024		
6.	Name of the Related Party: iBuild Innovation India Private Limited (the "iBuild") Nature of relationship: Mr Vasantha Sai Sama's (Wholetime Director) relative is a shareholder and Mr. Venugopala Rao Kancherla, Independent Director is a shareholder in iBuild	Rental Income on Leasing of Property to iBuild	188(1)(c) 1. Nature of Service: Leasing services 2. Pricing: Lease Amount - Rs. 6,667/-Per Month for month 3. Tenure- 11 Months 4. Advances, if any: Interest Free security Deposit- Rs.1,50,000/- 5. Actual Value incurred during the FY. 2024-25: Rs. 53,340/- 6. Relevant Section: 188(1)(c)	Audit Committee Approval : 22.06.2024 Board Approval: 22.06.2024		
7.	Name of the Related Party: Rentian Private Limited (the "Rentian ")	Rental Income on Leasing of Property to Rentian	188(1)(c) 1. Nature of Service: Leasing services 2. Pricing: Lease Amount - Rs.4,20,000 Per Month till Aug'24, escalation of 5% in	Audit Committee Approval : 22.06.2024		

	Nature of relationship: A relative of Mr. Sriram G. Teja, Director of the Company, is a Director and member in Rentian	3. rent thereafter Tenure- 11 Months Advances, if any: Interest Free security Deposit- Rs.45,000/- 5. Actual Value incurred during the F.Y. 2024-25: Rs. 51,87,000/- 6. Relevant Section: 188(1)(c)	Board 22.06.2024	Approval:
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AOC-2 shall be signed by the people who have signed the Board’s Report.

By Order of the Board
For ProYuga Advanced Technologies Limited

Sd/-
Sai Kiran Nallapaneni
Wholetime Director
DIN: 09507261

Sd/-
Manchukanti Sai Teja
Director (Non-Executive)
DIN: 07596317

Date: 05.09.2025
Place: Hyderabad

INDEPENDENT AUDITOR'S REPORT**To the Members of ProYuga Advanced Technologies Limited,****Report on the Audit of Financial Statements****Opinion**

We have audited the accompanying financial statements of **ProYuga Advanced Technologies Limited**, ("the Company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss and Statement of Cash Flow for the year then ended, and notes to the financial statements, including the summary of significant accounting policies and other explanatory information.

In our opinion and to the best of the information and according to the explanations given, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and its Profit and its Cash Flow statement for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

1. We draw attention to Note 3 and 14 of the financial statements, which states that the Company issued 2,23,66,985 equity shares of face value Rs. 1 each at a premium of Rs. 30 per share on 09th October 2024 to the shareholders of PINscale Technologies Limited, pursuant to a share swap arrangement. Under this arrangement, shareholders of PINscale Technologies Limited exchanged their 10,66,73,229 equity shares at value Rs.6.5 per share (wherein Face value of Rs. 1/- per share and premium of Rs. 5.5/- per share) in consideration for the equity shares issued by the Company. Our opinion is not modified in respect of this matter.

2. We draw attention to Note 14 of the financial statements, which discloses that the Company in earlier financial years, granted loans amounting to USD 44,80,000 (carrying amount in books of accounts equal to ₹32,83,201.00/-) to Mayuukha Pte Ltd. Considering the financial condition and performance of Mayuukha Pte Ltd, the Company created a provision for diminution in value for the entire carrying amount of the loan during FY 2021–22, and accordingly, the loan has been carried at nil value in the financial statements since then. During the current financial year, pursuant to a mutual agreement between ProYuga and Mayuukha Pte Ltd, the entire outstanding loan amount along with interest accrued and recognized for the financial year 2018–19 of USD 40,520 (amount in INR 28,028.48/-), was converted into 45,20,520 Non-Cumulative Redeemable Convertible Preference Shares (NCRCPs). Following this conversion, management reassessed the financial condition of Mayuukha Pte Ltd and decided to continue the provision for diminution on the converted loan. Further, Provision for the diminution in the Investment has been created during the FY 24-25 for USD 40,520 amounted to INR 28,02,848/-, being the interest accrued for FY 2018–19. Detailed disclosure is provided in Note 14 to the financial statements. Our opinion is not modified in respect of this matter.
3. We draw attention to Note 16 of the financial statements, with reference to the Loan granted by ProYuga to Mayuukha Pte Ltd amounting to USD 44,80,000. However, the loan was not restated at the exchange rates as at the balance sheet dates of earlier years, in accordance with the Company's accounting policy of not recognizing unrealized foreign exchange gains on foreign monetary currency items, consistent with the principle of conservatism as mentioned in Note 2.1 & 2.10 of accounting policies. Our opinion is not modified in respect of this matter.
4. We draw attention to Note 12 and 13 of the financial statements regarding reclassification of an asset from Intangible Assets to Property, Plant and Equipment during the year. This change was made to correct a previous classification error and is not considered a change in accounting policy under AS-5. The asset has been depreciated using the same method (unit of production) before and after the reclassification. As a result, there is no effect on the Profit and Loss Statement, prior period depreciation or carrying amount of the asset. Our opinion is not modified in respect of this matter.
5. We draw attention to Note 5 of the financial statements, which states that a charge has not been created in respect of a loan amounting to ₹1,55,000.00/- secured against property. Our opinion is not modified in respect of this matter.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

Those 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 objective is 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 in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Materiality is the magnitude of misstatements in the 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 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. 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 the examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except for AS-11 where the monetary transactions are not restated at the exchange rates prevailing on the respective balance sheet dates of earlier years, which has been detailed in paragraph 2 of Emphasis of Matter.
 - e) On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 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, the provisions of Section 143(3)(i) are applicable to the Company and the report on IFCoFR is separately attached as ***Annexure B***.
- g) In our opinion and to the best of our information and explanation provided to us, the Company has complied with section 197 of the Companies Act, 2013.
3. 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 information and according to the explanations given.
- a) The Company does not have any pending litigations which would impact its financial position.
- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There are no amounts liable to be transferred to Investor Education and Protection Fund by the Company.
- d)
- i) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note no. 35 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(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 its knowledge and belief, as disclosed in the Note no.35 to the Financial Statements, no funds 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 performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material misstatement.
- e) The company has not declared or paid any dividend during the year and has not proposed a final dividend for the year.
- f) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has used accounting software for maintaining its books of accounts during the financial year ended 31st March 2025, which has a feature of recording an audit trail (edit log). As stated in Note-No. 39 of financial statements, the audit trail feature was enabled throughout the financial year ended 31st March 2025 for all relevant transactions. Further, during the period under audit, audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered.

As the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditor's) Rules, 2014 regarding the preservation of audit trail is required. The audit trail has been preserved by the company as per the statutory requirements for record retention.

For R V K S and Associates

Chartered Accountants

Firm's Registration No.: 008572S

Sd/-

K V Suresh Babu

Partner

Membership No.: 217440

UDIN: 25217440BMLLGE9478

Place of Signature: Hyderabad

Date: 05-09-2025

Annexure-A

As required by Companies (Auditors Report) Order, 2020

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2025:

i. Property Plant Equipment and Intangible Assets:

- a) A) The Company is maintaining proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment.

B) The company is maintaining proper records showing full particulars of intangible assets.
- b) According to the information and explanations given to us, the management has carried out physical verification for substantial portion assets during the current financial year. The company has a programme of periodic verification for fixed assets which is reasonable and as per the information provided, there are no discrepancies observed during such verification.
- c) We have inspected the copies of Encumbrance certificates for immovable properties of the company disclosed in the financial statements of the company under Property, Plant and Equipment. We have verified the third-party confirmations in respect of the deposit of title deeds of immovable properties of the company which are in the custody of third parties such as mortgages. Based on our audit procedures and information and explanations given to us we report that all title deeds of immovable properties of the company are disclosed in the financial statements of the company and held as a property, plant and equipment in the name of the company.
- d) The company has not revalued any of its Property, Plant and Equipment (including Right to Use assets) or intangible assets or both during the year.
- e) According to information and explanations provided to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

ii. Inventories:

- a) As per the explanation and information provided to us, Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. Discrepancies if any identified is less than 10% of the value.

- b) As per the explanations and based on our verification, the company has not been sanctioned working capital limits at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the order is not applicable.

iii. Loans given, investments, guarantees and security:

- a) The company has not granted loans and advances in the nature of loans during the year. However the balance outstanding as on 31st March 2025 for the loans that are provided to related parties in the earlier years are provided below:

S. No	Particulars	Guarantees	Security	Loans	Advances in the Nature of loans
1	Aggregate amount granted/ provided during the year	-	-	-	-
	Subsidiaries	-	-	-	-
	Joint Ventures	-	-	-	-
	Associates	-	-	-	-
	Others	-	-	-	-
2	Balance outstanding as at balance sheet date in respect of above cases	-	-	-	-
	Subsidiaries	-	-	-	-
	Joint Ventures	-	-	-	-
	Associates	-	-	-	-
	Others	-	-	27,35,921.47	-

Refer Note No. 32 for detailed disclosure of Loans and advances to Related parties.

- b) The Investments made by the company are not prejudicial to the company's interest.
- c) As per the information and explanations provided to us with respect to loans and advances in the nature of loans, the repayment schedule of principal and Interest has been stipulated and repayments are regular as per the agreement.
- d) According to the information and explanations given to us and on the basis of our audit procedures, we report that the loans are not overdue for a period of more than ninety days.

- e) According to the information and explanations given to us and based on the audit procedures performed, we report that a loan granted to Mayuukha Pte Ltd, which had fallen due during the year, was extended. The extension of the loan is not in the nature of fresh disbursement to settle the overdue amount, but constitutes an extension of the repayment

terms. Apart from this, no other loans or advances in the nature of loans that had fallen due were renewed or extended, nor fresh loans were granted to settle overdue loans given to the same parties. The summary of loans extended during the year has been disclosed below:

Name of the parties	Aggregate amount of loans or advances in the nature of loans granted during the year	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Mayuukha Pte Ltd	-	32,83,201.00	NA

However, the entire outstanding loan, along with the accrued and due interest, was converted into preference shares on March 27, 2025.

- f) As per the information and explanations given to us the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. Section 185 and 186:

The company has complied with the provisions of section 185 and 186 of the Companies Act in respect of grant of loans, making investments and providing guarantees and securities as applicable. There were no loans granted during the year under section 185 of the Companies Act.

v. Deposits accepted:

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the directions issued by the Reserve Bank of India, provisions of Sections 73 to 76 of the Act, any other relevant provisions of the act and the relevant rules made thereunder. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

vi. Cost Records:

The Company is not required to maintain Cost Records as prescribed by Central Government under Section 148(1) of the Companies Act, 2013.

vii. Statutory Dues:

- a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company is regular in depositing Undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, and other statutory dues have been regularly deposited by the company with the appropriate authorities during the year.
- b) According to the information and explanations given to us, there were no disputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax and other statutory dues in arrears as at March 31,2025.

viii. Undisclosed Income :

As per the explanations and based on our verification, the company doesn't have transactions that are not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly reporting under clause 3(viii) of the Order is not applicable.

ix. Default in repayment of loans:

- a) In our opinion, the company has not defaulted in repayment of loans or other borrowings, payment of interest to any lenders as on the balance sheet date.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared as willful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations given to us, the company has obtained general purpose term loans secured against property. The loans have been applied for the purposes for which they were obtained, and no diversion of funds has been noticed.
- d) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that no funds have been raised by the company on a short-term basis. Accordingly reporting under clause 3(ix)(d) of the Order is not applicable.
- e) According to the information and explanations given to us and procedures performed by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- f) According to the information and explanations given to us and procedures performed by us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. Capital raising:

- a) In our opinion and according to the information and explanations given to us, the company has not raised any Monies by way of initial public offer/ further public offer.
- b) In our opinion and according to the information and explanations given to us, the company has made preferential allotment of shares through a share swap arrangement. In our opinion, the Company has complied with the provisions of Section 42 and 62 of the Companies Act, 2013 with respect to such allotment. Further, since the consideration was in the form of a share swap, no funds were raised in cash. However the company has not made any private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

xi. Frauds:

- a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year. Therefore, reporting under clause 3 (xi)(a) of the Order is not applicable.
- b) As there was no fraud on or by the company that has been noticed during the year, reporting to Central Government through Form ADT-4 is not applicable. Therefore, reporting under clause 3 (xi)(b) of the Order is not applicable.
- c) As per the information and representations given by the management, there are no whistle blower complaints received by the company during the year. Therefore, reporting under clause 3 (xi)(c) of the Order is not applicable

xii. Nidhi Company:

In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause 3(xii) of the Order is not applicable.

xiii. Related Party Transaction:

- a) As per the information and explanations received by us from the Company and based on our examination of records of the company, we note that all related party transactions are in compliance with Section 177 and 188 of the Companies Act, 2013, and the required disclosures have been made in the financial statements in accordance with the applicable accounting standards.

xiv. Internal Audit:

- a) As per the information and explanation received by us from the company and based on our examination of records of the company, the company has not covered under mandatory requirement of Internal Audit in terms of section 138 of the companies act and hence reporting under clause 3 (xiv) (a) of the Order is not applicable.
- b) The company has not covered under the mandatory Internal Audit as required in terms of section 138 of the companies act. Accordingly, reporting under clause 3 (xiv)(b) of the Order is not applicable.

xv. Non-Cash Transaction:

According to the information and explanations given to us, During the year, the company has entered into non-cash transactions with the directors of the company by way of acquiring the shares of PINscale Technologies Limited, The Directors are the shareholders of PINscale pursuant to a share swap agreement. The details are disclosed in Note-3

As per our verification of records, the necessary approvals under Section 192 of the Companies Act, 2013 were duly obtained through a resolution passed in the general meeting.

xvi. Registered u/s 45IA of RBI Act, 1934:

- a) In our opinion and according to the information and explanations furnished to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act , 1934 and accordingly reporting under Clause 3(xvi)(a) of the Order is not applicable.
- b) In our opinion and according to the information and explanations furnished to us, the company has not conducted any Non-Banking Finance or Housing Finance Activity, Accordingly reporting under Clause 3(xvi)(b) of the Order is not applicable.
- c) In our opinion and according to the information and explanations furnished to us, the Company is not a Core Investment Company and accordingly reporting under Clause 3(xvi)(c) of the Order is not applicable.
- d) In our opinion and according to the information and explanations furnished to us, the group do not have any Core Investment Company and accordingly reporting under Clause 3(xvi)(d) of the Order is not applicable.

xvii. Cash Losses :

The Company has not incurred cash losses during the current financial year; however, it had incurred cash losses in the immediately preceding financial year.

xviii. Auditor Resignation:

There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

xix. Capacity to meet Liabilities:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of the 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 upto the date of the audit report and we neither give any guarantee nor any assurance that all the 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. Corporate Social Responsibility:

As per the information and explanations provided to us and based on our verification the provisions of Section 135 of the Companies Act, 2013 with regard to Corporate Social Responsibility are not applicable to the company, hence reporting under Clause 3(xx) of the Order is not applicable.

For R V K S and Associates

Chartered Accountants

Firm's Registration No.: 008572S

Sd/-

K V Suresh Babu

Partner

Membership No.: 217440

UDIN: 25217440BMLLGE9478

Place of Signature: Hyderabad

Date: 05-09-2025

Annexure B

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 **ProYuga Advanced Technologies Limited** (“the Company”) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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 R V K S and Associates

Chartered Accountants

Firm's Registration No.: 008572S

Sd/-

K V Suresh Babu

Partner

Membership No.: 217440

UDIN: 25217440BMLLGE9478

Place of Signature: Hyderabad

Date: 05-09-2025

Address : # 6-3-650, F. No.: 217 B & C, 2nd floor, Maheshwari Chambers, Somajiguda, Hyderabad – 500 082,

Phone: +91-40-27611565 / 66620039, E-Mail : hyderabad@rvks.in Website: www.rvks.in

Offices: Chennai, Bangalore, Devanahalli, Hyderabad, Mumbai & Vijayawada

ProYuga Advanced Technologies Limited

CIN: U74999TS2017PLC176097

Hyderabad

Notes forming part of the Financial Statements for the Year Ended 31st March 2025

1. Company Information

ProYuga Advanced Technologies Limited (the company) was incorporated on 16th June 2017. The Registered office of the company is situated at Plot No. 30, Brigade Towers, East Wing, Ground Floor, Nanakramguda, Financial District, Gachibowli, K.V. Rangareddy, Seri Lingampally, Telangana, India, 500032. The company operates within India and world-wide with CIN: U74999TS2017PLC176097.

The company shifted its registered office from Maharashtra to Telangana state. The revised certificate has been received from Regional Director dated: 17th August 2023

The vision of the company is to develop transformative and cutting-edge XR (Virtual Reality, Augmented Reality, and Mixed Reality) products across gaming, education, commerce, and other domains. ProYuga has already developed two world-class products, iB Cricket and Programmer VR.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021, as amended from time to time, other relevant provisions of the Act and other pronouncements of the Institute of Chartered Accountants of India. The financial statements have been prepared on the historical cost convention and on the accrual basis of accounting, in accordance with generally accepted accounting principles in India.

The Company qualifies as a Small and Medium-Sized Company (SMC) under the criteria prescribed in the Companies (Accounting Standards) Rules, 2021. Accordingly, the financial statements have been prepared in compliance with the Accounting Standards applicable to SMCs. In doing so, the Company has availed the following exemptions and relaxations that are permitted for SMCs:

1. **Leases (AS 19):** Exemption has been availed from providing certain detailed disclosures relating to lease arrangements.

ProYuga Advanced Technologies Limited

CIN: U74999TS2017PLC176097

Hyderabad

Notes forming part of the Financial Statements for the Year Ended 31st March 2025

2. **Impairment of Assets (AS 28):** Exemption has been availed from providing detailed disclosures relating to estimation techniques and assumptions used in impairment testing.
3. **Provisions, Contingent Liabilities and Contingent Assets (AS 29):** The Company is not required to present a detailed reconciliation of provisions. Only aggregate disclosures of nature and amounts are made.

The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, and also basic considerations of Prudence, Substance over form, and Materiality.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the entity nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis.

Based on the total income of the reporting entity, the amounts presented in the Financial Statements are uniformly rounded off to the nearest Hundreds, unless otherwise specified.

2.2 Operating cycle and basis of classification of assets and liabilities

All assets and liabilities are classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The assets and liabilities are classified as current to the extent they are expected to be realized/contractually repayable within 12 months from the Balance Sheet date and as non-current in other cases.

ProYuga Advanced Technologies Limited

CIN: U74999TS2017PLC176097

Hyderabad

Notes forming part of the Financial Statements for the Year Ended 31st March 2025

2.3 Presentation and Disclosure of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 (“the Act”). The Cash Flow Statement has been prepared and presented as per the requirements of AS 3 “Cash Flows Statement”. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards, Guidance Notes on Accounting Standards and in accordance with Schedule III of Companies Act, 2013.

2.4 Use of Estimates and Assumptions

The preparation and presentation of financial statements in conformity with the Generally Accepted Accounting Principles requires estimates and assumptions to be made by the management that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of financial statements and could differ from the actual results.

Significant areas where estimates are applied include but not limited to determination of useful lives of property, plant and equipment, impairment of assets, provision for doubtful debts, recognition of deferred tax assets, employee benefit obligations, and provisions and contingencies. Differences between actual results and estimates are accounted for in the period when the results become known or materialize.

2.5 Inventories

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is determined using the FIFO method and comprises purchase cost (net of discounts/rebates), non-recoverable taxes/duties, freight and other costs incurred to bring inventories to their present location and condition. Abnormal waste, storage costs (unless necessary in the production process), and administrative/selling costs are excluded.

ProYuga Advanced Technologies Limited

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Hyderabad

Notes forming part of the Financial Statements for the Year Ended 31st March 2025

Inventory comprises of the following

- i. **Raw materials:** Raw materials consist of Wrist Lanyard, Batteries, Connectors etc used in assembling the finished good i.e., the bat. They are measured at FIFO cost. When the finished goods made from these materials are expected to be sold at or above cost, raw materials are not written down below cost.
- ii. **Work-in-progress:** WIP is valued at lower of cost and NRV, where cost includes materials, direct labour and a systematic allocation of variable and fixed production overheads based on normal capacity.
- iii. **Finished goods:** Finished goods i.e., the iB Cricket Bat is valued at lower of cost and NRV; cost includes materials, conversion costs and appropriate production overheads.
- iv. **Consumables:** Consumables consist of packing materials procured for iB Cricket bats and are valued at lower of cost (FIFO) and NRV.

The net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale. Write-downs to NRV and subsequent reversals (limited to the amount of the original write-down) are recognized in the Statement of Profit and Loss. Certain inventories purchased in earlier years for trading purposes, along with demo finished goods, are no longer usable and have minimal realizable value. The Company intends to dispose of these items at scrap value. There were no write-downs of inventories to NRV, nor any reversals, during the year.

2.6 Cash Flow Statement

Cash flows are reported in accordance with the requirements of Accounting Standard-3, using the indirect method whereby profit before taxes is taken as basis and adjustments made with respect to non-cash expenses and current assets and liabilities to arrive at the operating flows. Cash flows from Investing and Financing activities are segregated.

Cash and cash equivalents for the purposes of the Cash Flow Statement comprise cash on hand, balances with banks, and short-term, highly liquid investments with original maturities of three months or less, that are readily convertible into known amounts of cash, and which are subject to insignificant risk of changes in value.

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Hyderabad

Notes forming part of the Financial Statements for the Year Ended 31st March 2025

2.7 Revenue Recognition

Revenue is recognised as per the requirements of Accounting Standard (AS)-9, when it is measurable, realisation is reasonably certain, and the significant risks and rewards of ownership (for goods) or the stage of completion (for services) can be reliably determined. Revenue is measured at the fair value of consideration received/receivable, net of taxes, returns, discounts and platform/agency charges. Amounts billed/received in advance are recorded as deferred revenue/unearned income and recognised when the related performance obligations are satisfied.

Accounting Policies for all the Revenue Stream

i. iB Cricket Software licencing through Meta & Steam platforms (Exports)

Revenue is recognised monthly on receipt of the platform sales report/confirmation, which provides reliable evidence of sales to end customers and the consideration due. Revenue is recorded net of platform fees/charges and taxes. Export sales are recognised in the period to which the platform confirmation relates.

ii. iB Cricket – from our website (goods, software licence)

- a) **Sale of goods (bats):** Sale recognised on transfer of significant risks and rewards to the customer.
- b) **Software License:** Sale recognised on delivery/activation when the Company has no remaining significant obligations.

Consideration in bundled arrangements is allocated to separable components as agreed.

iii. MCS Revenue

- a) **Model A - Partner-operated (license/revenue share):** The partner runs the arcade; the Company recognises revenue periodically on receipt of the partner's sales report for that period, measured as the contracted share which is net of revenue. If a completed period's report is pending but sales estimated reliably, company accrue the revenue for the same.

ProYuga Advanced Technologies Limited

CIN: U74999TS2017PLC176097

Hyderabad

Notes forming part of the Financial Statements for the Year Ended 31st March 2025

- b) **Model B - Company-operated at partner premises (principal)**: The Company runs the arcade and recognises gross revenue at point of sale when services are rendered.

iv. Business Edition (License)

License revenue is recognised rateably over the license term, commencing from the date on which access is provided/activated. License revenue relating to unexpired term shall be considered as deferred revenue for the year and it shall be recognised in the subsequent years upon completion of provision of service.

v. Events & Activations (Employee Engagement/Brand Activations)

Revenue is recognised on completion of the event/service (or on achievement of contractually specified milestones where applicable). Advances/billings before delivery are recorded as deferred revenue and services not billed are recorded as unbilled revenue.

vi. Sales Facilitation Service

The Company acts as an agent; revenue is limited to the Facilitation services. Facilitation service income is recognised when the underlying sale by the vendor occurs and is measurable based on vendor/platform reports (net of chargebacks/credits).

vii. Revenue from Sale of Services

Revenue from services is recognized when the outcome of the transaction can be estimated reliably. If services are provided through multiple acts over a defined period, revenue is recognized on a straight-line basis unless a different method better reflects the stage of completion. In other cases, revenue is recognized with reference to the stage of completion at the reporting date. Where the outcome cannot be reliably estimated, revenue is recognized only to the extent of costs incurred that are likely to be recoverable.

viii. Lease Income (Office Space)

Lease rentals from operating leases are recognised on a straight-line basis over the lease term (or on another systematic basis if it better represents the time pattern of benefit) in accordance with AS 19.

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

Accrued Revenue (AS-9)

Accrued revenue is the income recognised for goods or services delivered up to the balance sheet date but not yet invoiced, when the outcome can be reliably measured and inflow of economic benefits is probable. For services, revenue is recognised by stage of completion; if only minor deliverables remain that do not affect customer acceptance or risk transfer, the related consideration is accrued.

Accrued revenue is measured at the contract price attributable to work performed to date, net of discounts and applicable taxes, and presented under Other Current Assets; it is reclassified to Trade Receivables on invoicing. Where material uncertainties exist or significant obligations remain, recognition is deferred until resolved.

Other Income

Interest income is recognized on accrual basis, adopting a time proportion method, taking into account the amount outstanding and the applicable interest rate.

2.8 Property, Plant and Equipment

i. Recognition & Initial Measurement

PPE are carried at cost less accumulated depreciation and impairment, if any. Cost comprises purchase price (net of recoverable taxes/credits), non-refundable duties, freight, installation, site preparation and other directly attributable expenses necessary to bring the asset to its intended use. Borrowing costs directly attributable to qualifying assets are capitalised until the asset is ready for use; others are expensed. Asset costs are recorded net of input tax credits (e.g., GST) to the extent recoverable; non-recoverable taxes/duties form part of cost. Items costing below ₹5,000 are expensed on acquisition. Costs relating to the assets that are not yet ready for use are presented as Capital Work-in-Progress (CWIP); no depreciation is charged on CWIP.

ii. Subsequent Expenditure, Depreciation & Useful Life

Subsequent expenditure is capitalised only when it increases future economic benefits (e.g., enhanced capacity/efficiency or extension of useful life); repairs and maintenance are expensed as incurred.

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Depreciation is provided on the Straight-Line Method over the useful life as prescribed in Schedule II to the Companies Act, 2013, unless management (based on technical evaluation) estimates a different life. Depreciation is charged on pro-rata basis from/up to the date the asset is available for use/retired. Residual value is generally 5% of cost unless technical estimates indicate otherwise. The Company reviews useful lives, residual values and the method annually and treats changes prospectively as changes in estimates.

iii. Impairment, Taxes/Credits & Derecognition

PPE are assessed at each reporting date for indicators of impairment; where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss (with reversals recognised when applicable). An item of PPE is derecognised upon disposal or when no future economic benefits are expected; the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Profit and Loss.

Estimated Useful life of PPE Adopted by the Company

Particulars	Life of asset
End user devices such as, desktops, laptops etc	3 years
Servers and networks	6 Years
Electrical Installations and Equipment	10 years
Furniture and fittings	10 years
Office Equipment	5 years
Building	60 Years

Moulds

Moulds developed or acquired for iB Cricket bats are recognised as tangible asset at cost when future economic benefits are probable and costs are reliably measurable. Cost includes design/engineering, materials, direct labour, vendor fabrication, testing/trials to bring the mould to working condition, and directly attributable overheads. Routine repairs are expensed; subsequent spend is capitalised only if it enhances capacity/efficiency or extends life, with the carrying amount of the replaced part derecognised.

Depreciation is on a usage / units-of-production basis reflecting expected output from each mould (residual value generally nil). Estimates of total units/useful life and depreciation assumptions are reviewed at least annually and revised prospectively as needed. Moulds are written off/derecognised

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

when no longer in use or when no future economic benefits are expected; resulting gains/losses are recognised in the Statement of Profit and Loss. Impairment is assessed when indicators exist, and losses (if any) are recognised in accordance with applicable standards.

2.9 Intangible Assets

Intangible assets are recognised at cost when identifiable and when future economic benefits are probable and costs can be measured reliably. Research costs are expensed. Development costs are capitalised only when AS 26 criteria are met –

- a) It is probable that the expected future economic benefits attributable to the asset will flow to the entity.
- b) Cost of the asset can be measured reliably.
- c) Technical feasibility of completing the software is established.
- d) The intention and ability to use or sell the software are demonstrated.
- e) Adequate resources are available to complete the development and to use or sell the software.
- f) Ability to measure expenditure reliably.

Capitalised intangibles are carried at cost less amortisation and impairment; amortised on a straight-line basis over the estimated useful life (normally not exceeding five years; residual value was considered as 5% of the cost of the asset). Useful lives/methods are reviewed annually, and assets are tested for impairment when indicators exist.

Application to Products

For iB Cricket, the Company holds acquired intangibles and internally generated development costs capitalised up to FY 2018-19 when recognition criteria were demonstrably met. After commercial use commenced, ongoing feature upgrades/new versions have been expensed, given the rapid technology change and the absence of reliably estimable future benefits/lives under AS 26. For Programmer VR, no development expenditure has been capitalised to date for the same reasons; all such costs are expensed as incurred.

The Company has no intangible assets with indefinite useful lives as at 31st March 2025.

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

2.10 Foreign Currency Transactions

Functional currency: The financial statements are presented in Indian Rupees (INR), which is the Company's functional currency.

Initial recognition: Foreign currency transactions are recorded at the exchange rate as on the date of the transaction.

Subsequent measurement at reporting date:

All the foreign current assets and liabilities are restated with the closing date exchange rates and Unrealised loss arising on account of such restatement is recognised in the statement of Profit & Loss account and the Unrealised gain on account of such restatement is not recognised in books of accounts on account considering the concept of Conservatism.

- a. Monetary items (such as cash, receivables, payables, loans): translated at the closing exchange rate as at the balance sheet date.
- b. Non-monetary items carried at historical cost: translated at the rate as on the transaction date.
- c. Non-monetary items carried at fair value: translated at the rate as on the date the fair value was determined.

Recognition of exchange differences:

- a. Realised foreign exchange gains/losses (arising on settlement of foreign currency monetary items): Recognised in the Statement of Profit and Loss in the period of settlement.
- b. Unrealised foreign exchange losses (arising on year-end restatement of foreign currency monetary items at the closing rate): Recognised in the Statement of Profit and Loss for the period. And Unrealised foreign exchange gains are not recognised in the Statement of Profit and Loss considering the Concept of Conservatism

2.11 Investments

Current Investment: Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments.

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Long Term Investment: All other investments are classified as long-term investments

Recognition of Investment:

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary, in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.12 Employee Benefits – Long Term and Short Term

i. Short-Term Employee Benefits:

Short-term employee benefits, as defined under AS 15, are those expected to be settled wholly within 12 months after the end of the period in which employees render the related service. These include salaries, wages, incentives, and bonus. Such benefits are recognised as expense in the Statement of Profit and Loss in the period in which the employee renders the service.

ii. Post-employment Benefits:

Post-employment benefits, as per AS 15, are benefits payable after completion of employment.

a) Defined Contribution Plans:

The Company's contributions to Provident Fund (PF), Employees' State Insurance (ESI), which fall within the scope of AS 15, are treated as defined contribution plans. The Company's liability is restricted to the amount of contribution made, which is recognised as an expense in the Statement of Profit and Loss on an accrual basis.

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The provisions of the Employees Provident Fund Act are applicable, and the company make monthly contribution at a specified percentage (12% of the employee's salary). The contribution to the Provident Fund and Pension fund is remitted to PF department and the amount is debited to Statement of Profit and Loss, and shortfall if any, in contribution shall be made good by the company.

The Provisions of Employees State Insurance Act are applicable and the contribution by the company is debited to Statement of Profit and Loss, and shortfall if any, in contribution shall be made good by the company.

b) Defined Benefit Plans:

Gratuity is treated as a post-employment defined benefit obligation. The provision for gratuity has been calculated and recorded in the books of accounts as per the actuarial valuation report, the actuary calculated the present value of the obligation using project unit cost method in compliance with AS-15. However, the company has not deposited the amount into a gratuity trust and established a plan asset for the obligation. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15/26 days salary payable for each completed year of service. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

iii. Other Employee Benefits:

Other employee benefits, as per AS 15, are those not expected to be settled wholly within 12 months after the end of the period in which employees render the related service.

a) Defined Benefit Plans:

- I. Accumulated Leave Encashment** is payment to employees for unutilised earned leave, either during service or on retirement/resignation. The employees of the Entity are entitled to compensated absence. The employees can carry forward a portion of the unutilized accrued absence in accordance with the internal policy and utilize it in future

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The Provision for compensated absence (leave encashment) has been calculated and accounted in the books of accounts based on the actuarial valuation. The Actuary has calculated the provision using the project unit cost method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

II. Retention Bonus is a deferred incentive paid to employees for continuing service with the Company for a specified period. The present value of the obligation is determined at each reporting date using the Projected Unit Credit Method by an independent actuary.

Expenses for these benefits are recognised in the Statement of Profit and Loss, and liabilities are classified into current and non-current portions depending on the expected timing of settlement.

2.13 Taxes on Income

Tax on income for a period comprises current tax, deferred tax, and Minimum Alternate Tax (MAT) credit adjustments.

- i. Current Tax:** Current tax is determined as the amount of tax payable in respect of taxable income for the year. Tax liability for the Current year has been computed under Old Tax Regime of the Income Tax Act, 1961.
- ii. Deferred tax:**
 - a)** Deferred tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
 - b)** Deferred tax assets on timing differences are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

- c) Whenever the income as per Income Tax is lesser than the income as per the Statement of Profit and Loss, the deferred tax liability should be calculated and recognized in the financial statements. The Company off-sets, on a year-on-year basis, the current and non-current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

iii. Minimum Alternate Tax (MAT) Credit:

Minimum Alternate Tax Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such assets are reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence of the effect that the company will pay normal income tax during the specified period.

2.14 Borrowing Cost

Borrowing costs are “interest and other costs incurred in connection with the borrowing of funds,” including “exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.”

Capitalisation commences only when:

- a. expenditure for the acquisition, construction or production of a qualifying asset is being incurred;
- b. borrowing costs are being incurred; and
- c. activities that are necessary to prepare the asset for its intended use or sale are in progress.

Borrowing costs other than those directly attributable to the acquisition, construction or production of a qualifying asset as defined in the Accounting Standard are recognised as an expense in the period in which they are incurred. Capitalisation ceases when asset is found to be ready for use or sale.

2.15 Leases

At the inception of a lease, the lease arrangement is classified as either a finance or operating lease, based on the substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

Assets taken on finance lease:

A finance lease is recognized as an asset and a liability at the commencement of lease, at lower of its fair value and present value of minimum lease payments. Initial direct costs, if any, are also capitalized and subsequent to initial recognition, the asset is depreciated in line with the accounting policy applicable to the same class of assets. The minimum lease payments are apportioned between finance expense and reduction in outstanding lease liability. The finance costs are allocated to each period, during the lease term, so as to produce a constant periodic rate of interest on the remaining outstanding liability.

Assets taken on operating lease:

Assets taken on operating leases are not recognized in the entity's Balance Sheet. Payments made under operating leases are recognized in Profit and Loss on a straight-line basis over the term of lease.

The Company has entered into operating lease arrangements with MCS partners for the use of premises, wherein the rentals are variable in nature and are recognized as an expense as incurred, in accordance with the terms of the agreements and the requirements of AS 19 - Leases.

2.16 Impairment of Assets

Measurement: In accordance with AS-28 - Impairment of Assets, the Company assesses at each balance sheet date whether there is any indication that an asset (tangible and intangible) may be impaired. If such indication exists, the recoverable amount of the asset is estimated, being the higher of its net selling price and value in use (present value of estimated future cash flows expected to arise from continuing use of an asset and from its disposal at the end of its useful life or a reasonable estimate). Where the carrying amount of an asset exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recognition: Impairment loss, if any, is recognised in the Statement of Profit and Loss for the period in which the asset is identified as impaired. The loss is charged to the carrying amount of the asset in the balance sheet, thereby reducing its book value to the recoverable amount.

Reversal: As per AS-28, the Company reviews at each balance sheet date whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

decreased. A previously recognised impairment loss is reversed only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation/amortization) had no impairment loss been recognised.

2.17 Provisions, Contingent Liabilities and Contingent Asset

i. Provisions:

a) **Recognition:** The Company recognizes a provision when:

1. there is a present obligation (legal or constructive) as a result of a past event;
2. it is probable (more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and
3. a reliable estimate can be made of the amount. Provisions are not recognised for future operating losses.

b) **Measurement:** Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Provisions are not discounted to present value under AS 29. Gains from the expected disposal of assets are not considered in measuring a provision.

c) **Review and use:** Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources will be required, the provision is reversed. A provision is used only for expenditures for which the provision was originally recognised.

ii. Contingent liabilities:

A contingent liability is not recognised but is disclosed when there is:

- a) a possible obligation from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Company's control; or
- b) a present obligation that arises from past events but is not probable to require an outflow of resources or cannot be measured reliably.

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Remote contingent liabilities are generally not disclosed, unless disclosure is necessary to ensure that the financial statements are not misleading (e.g., in rare cases of significant guarantees).

iii. Contingent assets:

A contingent asset is not recognised in the financial statements. It is disclosed where an inflow of economic benefits is probable. When the realization of income is virtually certain, the related asset is no longer contingent and is recognised. As at 31st March 2025, the Company does not have any contingent assets requiring disclosure.

As per our report of even date attached

For and on behalf of the Board

For R V K S and Associates

Chartered Accountants

Firm's Registration No.: 008572S

Sd/-

Sai Kiran Nallapaneni

Whole-Time Director

Place: Hyderabad

DIN: 09507261

Sd/-

Sai Sasank S Ganesh Parimi

Chief Executive Officer

Place: Hyderabad

Sd/-

K V Suresh Babu

Partner

Membership No.:217440

UDIN: 25217440BMLLGE9478

Sd/-

Sai Teja Manchukanti

Non-Executive Director

Place: Hyderabad

DIN: 07596317

Sd/-

Karumuru Gowtham Reddy

Chief Financial Officer

Place: Hyderabad

Place of Signature: Hyderabad

Date: 05-09-2025

Sd/-

Vasavi Latha Garapati

Company Secretary

Place: Hyderabad

M. No: A65841

Place of Signature: Hyderabad

Date: 05-09-2025

ProYuga Advanced Technologies Limited
CIN: U74999TS2017PLC176097
Hyderabad
Balance Sheet as at 31st March 2025

PARTICULARS		Note No.	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
I EQUITY AND LIABILITIES				
1 Shareholders' Funds				
a.	Share Capital	3	28,89,801.18	26,66,131.33
b.	Reserves and Surplus	4	1,08,88,240.07	37,98,908.25
	Total(1)		1,37,78,041.25	64,65,039.58
2 Non Current Liabilities				
a.	Long Term Borrowings	5	2,81,224.43	2,62,825.63
b.	Long Term Provisions	6	19,850.78	34,222.78
c.	Other Non-current liabilities	7	1,530.00	5,853.00
	Total(2)		3,02,605.21	3,02,901.41
3 Current Liabilities				
a.	Short Term Borrowings	8	17,287.38	60,254.99
b.	Trade Payables	9		
A.	Total Outstanding Dues of MSEs		2,75,725.53	2,70,228.33
B.	Total Outstanding Dues of creditors other than MSEs		1,395.18	4,659.95
c.	Other Current Liabilities	10	1,70,417.74	1,72,757.35
d.	Short Term Provisions	11	48,436.55	39,305.89
	Total(3)		5,13,262.38	5,47,206.51
	TOTAL (I)		1,45,93,908.84	73,15,147.50
II ASSETS				
1 Non-Current Assets				
a.	Property, Plant and Equipment and Intangible Assets			
A.	Property, Plant and Equipment	12	18,71,385.52	18,75,600.33
B.	Intangible Assets	13	68,002.78	1,00,155.37
b.	Non Current Investments	14	69,33,765.35	0.00
c.	Deferred Tax Asset	15	9,11,318.60	9,29,158.54
d.	Long Term Loans and Advances	16	5,65,000.00	31,42,492.87
e.	Other Non current Assets	17	1,07,212.07	1,48,564.85
	Total(1)		1,04,56,684.32	61,95,971.96
2 Current Assets				
a.	Inventories	18	64,175.44	66,412.74
b.	Trade Receivables	19	3,99,068.16	41,367.86
c.	Cash and Cash equivalents	20	3,83,106.56	5,86,236.33
d.	Short Term Loans and Advances	21	21,71,245.11	11,176.22
e.	Other Current Assets	22	11,19,629.25	4,13,982.39
	Total(2)		41,37,224.52	11,19,175.54
	TOTAL (II)		1,45,93,908.84	73,15,147.50
	Background	1		
	Significant Accounting Policies	2		

The Accompanying Notes form an integral part of the Financial Statements.

Subject to our report of even date

For R V K S and Associates

Chartered Accountants
Firm Regn. No.: 008572S

For and on behalf of board of ProYuga Advanced Technologies Limited

Sd/-
K V Suresh Babu
Partner
Membership No.: 217440
UDIN: 25217440BMLLGE9478

Sd/-
Sai Sasank S Ganesh Parimi
Chief Executive Officer
Place: Hyderabad

Sd/-
Vasavi Latha Garapati
Company Secretary
Place: Hyderabad
M. No: A65841

Sd/-
Sai Teja Manchukanti
Non-Executive Director
Place: Hyderabad
DIN: 07596317

Place: Hyderabad
Date: 05-09-2025

Sd/-
Sai Kiran Nallapaneni
Whole time Director
Place: Hyderabad
DIN: 09507261

Sd/-
Karumuru Gowtham Reddy
Chief Financial Officer
Place: Hyderabad

ProYuga Advanced Technologies Limited CIN: U74999TS2017PLC176097 Hyderabad Statement of Profit and Loss for the year ended 31st March 2025			
PARTICULARS		As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
I	INCOME		
a.	Revenue from Operations 23	9,90,913.00	8,43,588.49
b.	Other Income 24	3,93,670.92	5,06,249.72
	TOTAL INCOME	13,84,583.92	13,49,838.21
II	EXPENSES		
a.	Manufacturing Expenses 25	39,575.09	43,770.78
b.	Employee Benefits Expense 26	2,92,050.07	3,50,949.26
c.	Finance Costs 27	33,038.79	66,176.57
d.	Depreciation and Amortisation Expense 12	27,681.25	2,62,752.86
e.	Other Expense 28	5,94,148.35	7,68,449.51
	TOTAL EXPENSES	9,86,493.55	14,92,098.98
III	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX	3,98,090.37	(1,42,260.77)
a.	Exceptional Items 29	1,014.11	109.00
IV	PROFIT/(LOSS) BEFORE TAX	3,97,076.26	(1,42,369.77)
V	TAX EXPENSE		
a.	Provision for Current Tax	0.00	0.00
b.	Provision for Deferred Tax 33	17,839.94	(33,297.97)
c.	Prior year Tax and Interest Payments	0.00	0.00
	TOTAL TAX EXPENSE	17,839.94	(33,297.97)
VI	PROFIT/(LOSS) AFTER TAX	3,79,236.32	(1,09,071.80)
VII	BALANCE CARRIED TO BALANCE SHEET	3,79,236.32	(1,09,071.80)
VIII	EARNINGS PER SHARE 31		
a.	Basic	0.14	(0.04)
b.	Diluted	0.14	(0.04)
The Accompanying Notes form an integral part of the Financial Statements.			
Subject to our report of even date			
For R V K S and Associates		For and on behalf of board of ProYuga Advanced Technologies Limited	
Chartered Accountants			
Firm Regn. No.: 008572S			
Sd/-	Sd/-	Sd/-	Sd/-
	Sai Sasank S Ganesh Parimi	Vasavi Latha Garapati	Sai Teja Manchukanti
	Chief Executive Officer	Company Secretary	Non-Executive Director
	Place: Hyderabad	Place: Hyderabad	Place: Hyderabad
K V Suresh Babu		M. No: A65841	DIN: 07596317
Partner			
Membership No.: 217440			
UDIN: 25217440BMLLGE9478			
Place: Hyderabad		Sd/-	
Date: 05-09-2025	Sd/-	Karumuru Gowtham Reddy	
	Sai Kiran Nallapaneni	Chief Financial Officer	
	Whole time Director	Place: Hyderabad	
	Place: Hyderabad		
	DIN: 09507261		

ProYuga Advanced Technologies Limited CIN: U74999TS2017PLC176097 Hyderabad Cash Flow Statement as at 31st March 2025			
PARTICULARS		As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
1	Net Profit Before Tax	3,97,076.26	(1,42,369.77)
	Adjustments For		
2	Depreciation	27,681.25	2,62,752.86
3	Finance Costs	33,038.79	66,176.57
4	Interest Income	(3,33,081.29)	(1,26,116.75)
5	Other Non-operating Income	(60,589.63)	(8,752.17)
6	Net gain/loss on sale of investments & PPE	0.00	1,325.57
7	Operating Profit before Working Capital Changes	64,125.38	53,016.31
8	(Increase)/Decrease in Short Term Receivables	(3,57,700.30)	14,319.57
9	(Increase)/Decrease in Inventories	2,237.30	13,026.06
10	(Increase)/Decrease in Short Term Loans and Advances	(21,60,068.89)	(3,873.86)
11	(Increase)/Decrease in Other Current Assets	(7,05,646.87)	0.00
12	(Increase)/Decrease in Other Non-Current Assets	41,352.78	(7,298.29)
13	Increase/(Decrease) in Trade Payables	2,232.43	1,57,193.00
14	Increase/(Decrease) in Other Current Liabilities	(2,339.61)	1,43,933.31
15	Increase/(Decrease) in Short Term Provisions	9,130.68	24,642.61
16	Increase/(Decrease) in Long term provisions	(14,372.00)	22,394.03
17	Cash Generated from Operating Activities	(31,85,174.48)	3,64,336.43
18	NET CASH FLOW OPERATING ACTIVITIES	(31,21,049.10)	4,17,352.74
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
1	Purchase of Tangible and Intangible Assets	(3,069.14)	(19,029.93)
2	(Increase)/Decrease in Intangible assets and Development	11,755.27	0.00
3	(Increase)/Decrease in Non Current Investments	0.00	24,940.00
4	Sale of Tangible and Intangible Assets	0.00	0.00
5	(Increase)/Decrease in Long Term Loans and Advances	25,77,492.88	0.00
6	Interest Income	3,33,081.29	0.00
7	Other Non-operating Income	60,589.63	1,34,868.92
8	Net gain/loss on sale of investments & PPE	0.00	(2,24,745.95)
9	NET CASH FLOWS FROM INVESTING ACTIVITIES	29,79,849.93	(83,966.96)
<u>CASH FLOWS FROM FINANCIAL ACTIVITIES</u>			
1	Increase in Paid up Capital Including Share Premium	0.00	19,15,000.00
2	Increase/(Decrease) in Long Term Borrowings	18,398.80	(3,55,692.50)
3	Increase/(Decrease) in Short Term Borrowings	(42,967.61)	0.00
4	Finance Costs	(33,038.79)	(66,176.57)
5	Increase/(Decrease) in Other Non-Current Liabilities	(4,323.00)	(17,66,927.00)
	NET CASH FLOWS FROM FINANCIAL ACTIVITIES	(61,930.60)	(2,73,796.07)
	NET CASH FLOW DURING THE PERIOD (A+B+C)	(2,03,129.77)	59,589.71
	Opening Balance as at the beginning of the year	5,86,236.33	5,26,646.62
	Closing Balance as at the end of the year	3,83,106.56	5,86,236.33
The Accompanying Notes form an integral part of the Financial Statements.			
Subject to our report of even date			
For R V K S and Associates		For and on behalf of Borad of ProYuga Advanced Technologies Limited	
Chartered Accountants Firm Regn. No.: 008572S			
Sd/- K V Suresh Babu Partner Membership No.: 217440 UDIN: 25217440BMLLGE9478 Place: Hyderabad Date: 05-09-2025		Sd/- Sai Sasank S Ganesh Parimi Chief Executive Officer Place: Hyderabad Sd/- Vasavi Latha Garapati Company Secretary Place: Hyderabad M. No: A65841 Sd/- Sai Teja Manchukanti Non-Executive Director Place: Hyderabad DIN: 07596317	
		Sd/- Sai Kiran Nallapaneni Whole time Director Place: Hyderabad DIN: 09507261 Sd/- Karumuru Gowtham Reddy Chief Financial Officer Place: Hyderabad	

ProYuga Advanced Technologies Limited CIN: U74999TS2017PLC176097 Hyderabad Notes to Financial Statements for the year ended 31 st March 2025			
PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds	
Note No: 3 Share Capital			
Authorised Shares			
1,75,00,00,000 Equity Shares of Rs.1/- each	1,75,00,000.00	1,75,00,000.00	
Total Authorised Capital	1,75,00,000.00	1,75,00,000.00	
Issued			
28,89,80,118 Equity Shares of face value Rs.1/- each	28,89,801.18	26,66,131.33	
Total Issued capital	28,89,801.18	26,66,131.33	
Subscribed and Paid up			
28,89,80,118 Equity Shares of Rs.1/- each fully paid up	28,89,801.18	26,66,131.33	
Total Subscribed and Paid up capital	28,89,801.18	26,66,131.33	
a. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period			
Equity Shares			
As at 31.03.2025	No. of Shares	Value in Rs. Ps.	
Balance at the beginning of the year	26,66,13,133	26,66,131.33	
Add: Shares issued during the year	2,23,66,985	2,23,669.85	
Less: Shares withdrawn during the year	0	0.00	
Balance at the end of the year	28,89,80,118	28,89,801.18	
Equity Shares			
As at 31.03.2024	No. of Shares	Value in Rs. Ps.	
Balance at the beginning of the year	26,18,25,633	26,18,256.33	
Add: Shares issued during the year	47,87,500	47,875.00	
Less: Shares withdrawn during the year	0	0.00	
Balance at the end of the year	26,66,13,133	26,66,131.33	
b. Terms/rights attached to Equity Shares			
The Company has only one class of Equity Shares carrying a par value of Rs. 1/- per share, with equal rights as to Dividend, Voting, and in all other respects.			
c.1 Details of shareholders holding more than 5% shares in the company as on 31.03.2025			
Equity Shares			
Name of the Shareholder	%	No. of Shares	Value in Rs. Ps.
Vijaya Kumar Reddy Sama	12.99	3,75,46,552	3,75,465.52
c.2 Details of shareholders holding more than 5% shares in the company as on 31.03.2024			
Equity Shares			
Name of the Shareholder	%	No. of Shares	Value in Rs. Ps.
Vijaya Kumar Reddy Sama	14.08	3,75,46,552	3,75,465.52
d. Details of shares held by promoters as on 31.03.2025			
The individuals who were promoters as of March 31, 2023, ceased to be promoters following the board meeting held on February 1, 2024.			
e. During the five years immediately preceding the date of the Balance Sheet, the Company has undertaken the following share issuances:			
(i) Equity shares allotted without consideration in cash:			
a) During the financial year 2024-25, the Company issued 2,23,66,985 equity shares of face value Rs. 1 each at a premium of Rs. 30 per share on 09 th October 2024 to the shareholders of PINscale Technologies Limited, pursuant to a share swap arrangement. Under this arrangement, shareholders of PINscale Technologies Limited exchanged their 10,66,73,229 equity shares value Rs.			

ProYuga Advanced Technologies Limited

CIN: U74999TS2017PLC176097

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Notes to Financial Statements for the year ended 31st March 2025

PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
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6.5 per share (whereas Face value of Rs. 1/- per share and premium of Rs. 5.5 per Share) in consideration for the equity shares issued by the Company. The allotment was made on a preferential basis, in compliance with the provisions of Section 42 and Section 62(1)(c) of the Companies Act, 2013, read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014.

- b) During the Financial year 2023-24, the Company issued 7,50,000 equity shares of face value Rs. 1 each at a securities premium of Rs. 39 per share to PINscale Technologies Limited on 23rd February 2024, against the conversion of an unsecured loan payable amounting to Rs. 3,00,000.00

(ii) Company has not issued any Bonus Shares.

(iii) Company has not bought back shares of any class.

f. No shares have been reserved for issue under options and Contracts/Commitments for sale of shares/ disinvestment.

Note No: 4 Reserves and Surplus

a. Securities Premium Account ¹	1,60,42,514.44	93,32,418.94
b. Balance in Profit and Loss Account B/fd	(55,33,510.69)	(54,24,438.90)
c. Profit / (Loss) for the year	3,79,236.32	(1,09,071.79)
	1,08,88,240.07	37,98,908.25

1. During the Financial Year 2024-25 Securities Premium has been increased as the Company issued 2,23,66,985 equity shares at a premium of ₹ 30 per share. The issue was made pursuant to a share swap arrangement with shareholders of PINscale Technologies Limited the details of which are disclosed in Note: -3 and 14.

Note No: 5 Long Term Borrowings

a. Loans and advances from Banks	2,81,224.43¹	2,62,825.63
	2,81,224.43	2,62,825.63

1. Disclosure related to Long Term Borrowings from Banks: -

Name of the Financer	ICICI Bank Ltd.	ICICI Bank Ltd.	ICICI Bank Ltd.
Loan account no.	LBHYD00004683128	LBHYD00005162653	LBHYD00005307511
Type of loan	Commercial (Loan against Property)	Commercial (Loan against Property)	Commercial (Loan against Property) (Top up Loan)
Secured/Unsecured	Secured	Secured	Secured
Date of sanction	19-Jul-2018	30-Oct-2019	18-Jul-2020
Sanctioned amount	1,55,000.00	2,05,947.71	70,390.00
Total amount disbursed	1,55,000.00	2,05,947.71	70,390.00
Outstanding as on 31st March 2025	1,18,191.57	1,77,851.50	-
Tenure of the loan*	191 Months	202 Months	48 Months
Interest Fixed/Floating	Floating	Floating	Floating
EMI amount	1,595.25	2,238.40	2,224.26
Mortgaged Security	Unit No 1609, Floor No 16, Lodha Supremus, Opposite MTNL office, Saki Vihar Road Powai, Mumbai, Maharashtra-400072	Plot No. 30, Brigade Towers, East Wing, Ground Floor, Nanakramguda, Financial District, Gachibowli, Seri Lingampally, K. V. Rangareddy-500032, Telangana, India	Plot No. 30, Brigade Towers, East Wing, Ground Floor, Nanakramguda, Financial District, Gachibowli, Seri Lingampally, K. V. Rangareddy-500032, Telangana, India
Charge ID	Charge not Created	100354833	100354833

*The tenure of the loan will be fluctuating because of the floating rate of interest and the monthly EMI remaining the same.

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Notes to Financial Statements for the year ended 31st March 2025

PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds				
Note No: 6 Long Term Provisions						
a. Provision for Gratuity	12,237.05	14,870.29				
b. Provision for leave encashment	7,613.73	4,664.88				
c. Provision for Retention Bonus	0.00	14,687.61				
	<u>19,850.78</u>	<u>34,222.78</u>				
<p>The provision for gratuity, leave encashment and Retention Bonus, representing the defined benefit obligation, has been determined based on the actuarial valuation conducted in accordance with AS-15. However, the company has not contributed to any plan assets in respect of these obligations.</p> <p>Refer Note-34 for detailed disclosure on the Provision for gratuity, Leave Encashment and Retention Bonus.</p>						
Note No: 7 Other Non-current liabilities						
a. Rental Deposit	1,530.00	5,853.00				
	<u>1,530.00</u>	<u>5,853.00</u>				
<p>The Company has received interest-free security deposits from tenants as rental deposits for premises owned by it and leased out to various parties. These deposits are refundable at the end of the respective lease terms, subject to the terms and conditions of the lease agreements.</p>						
Note No: 8 Short Term Borrowings						
a. Current Maturities of Long-Term Debt ¹	14,818.64	57,124.92				
b. Credit Cards from banks	2,468.74	3,130.07				
	<u>17,287.38</u>	<u>60,254.99</u>				
<p>1. Current maturities of long-term borrowings represent the portion of borrowings that are due for repayment within the next 12 months from the reporting date.</p> <p>These are classified separately from the non-current portion of borrowings from Note-5</p>						
Note No: 9 Trade Payables						
a. Dues to MSE’s creditors ¹	2,75,725.53	2,70,228.33				
b. Dues of creditors other than MSE’s	1,395.18	4,659.95				
	<u>2,77,120.71</u>	<u>2,74,888.28</u>				
Trade Payables Ageing Schedule - As at 31.03.2025						
Particulars	Outstanding for the following periods from the due date for payment					Total
	Not Due	< 1 Year	1 to 2 years	2 to 3 years	> 3 Years	
(i) Non Disputed - MSEs	2,75,725.53	0.00	0.00	0.00	0.00	2,75,725.53
(ii) Non Disputed - Others	0.00	1,395.18	0.00	0.00	0.00	1,395.18
(iii) Disputed Dues - MSEs	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00	0.00
Total	2,75,725.53	1,395.18	0.00	0.00	0.00	2,77,120.71
Trade Payables Ageing Schedule - As at 31.03.2024						
Particulars	Outstanding for the following periods from the due date for payment					Total
	Not Due	< 1 Year	1 to 2 years	2 to 3 years	> 3 Years	
(i) Non Disputed - MSEs	2,70,228.33	0.00	0.00	0.00	0.00	2,70,228.33
(ii) Non Disputed - Others	0.00	4,659.95	0.00	0.00	0.00	4,659.95
(iii) Disputed Dues - MSEs	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00	0.00
Total	2,74,888.28	4659.95	0.00	0.00	0.00	2,74,888.28

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Notes to Financial Statements for the year ended 31st March 2025

PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
1. <u>Disclosure on Dues to MSME: -</u>		
1) The company has sent a Communication to all suppliers requesting confirmation of their MSME status and provision of Udyam registration certificates. Replies have been received from a majority of the parties as MSMEs, and they have been classified as MSMEs. The company is still in the process of identifying the few suppliers as MSMEs as replies from parties are pending.		
2) Disclosure as per MSMED Act, 2006:		
a) Principal dues to MSME: 2,75,725.53/-		
b) Interest paid: Nil		
c) Interest for delay in payment: Nil		
d) Outstanding interest at the end of the year: Nil		
Note No: 10 Other Current Liabilities		
a. Advance from Customers ¹	33,465.84	13,795.35
b. Statutory Dues Payable	96,331.28	18,299.74
	Current year	Previous year
i) GST Payable -	66,449.61/-	5,572.84/-
ii) TDS Payable -	29,048.16/-	11,623.49/-
iii) PF and ESI Payable -	793.51/-	1,049.82/-
iv) PT Payable-	40.00/-	53.50/-
V) Labour Welfare Fund-	0.00/-	0.07/-
c. Rental Deposit	273.00	200.00
d. Salaries Payable	4,725.86	1,461.37
e. Other Payables	5,906.28	1,21,166.95
f. Deferred Revenue ²	29,715.48	17,833.94
	<u>1,70,417.74</u>	<u>1,72,757.35</u>
1. The Company has received advances from customers towards product licensing, which are classified under “Other Current Liabilities”. These will be recognised as revenue upon fulfilment of the performance obligation, i.e., when the license is made available for use.		
2. The Company has received upfront consideration from customers under product licensing agreements. Since the license term extends beyond the reporting date, the unexpired period of agreements has been classified as Deferred Revenue under other Current Liabilities. Revenue will be recognised over the agreement period as and when the services under the licensing agreement are rendered.		
Note No : 11 Short Term Provisions		
a. Provision for Employee Benefits-Short Term	26,140.72	19,643.32
b. Provision for Audit Fee	4,050.00	4,050.00
c. Other Short-Term Provisions	18,245.83	15,612.57
	<u>48,436.55</u>	<u>39,305.89</u>

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Notes to Financial Statements for the year ended 31st March 2025

PARTICULARS

As at 31/03/2025
Rs. In Hundreds

As at 31/03/2024
Rs. In Hundreds

Note No. 12: Property, Plant and Equipment:

S.No	Particulars	Gross Block (At Cost)					Depreciation/Amortisation					Net block	
		As at April 1, 2024	*Adjustments	Additions during the year	Deductions during the year	As at March 31, 2025	Up to April 1, 2024	*Adjustments	Addition for the year	Deletion for the year	Up to 31st March 2025	As at March 31, 2025	As at March 31, 2024
i.	Desktops & Laptops etc.	3,11,835.36	-	2,156.78	307.06	3,13,685.08	2,77,178.95	-	7,463.93	97.77	2,84,545.11	29,139.97	34,656.41
ii.	Servers	5,818.60	-	-	-	5,818.60	5,220.81	-	209.90	-	5,430.71	387.89	597.79
iii.	Office Equipment	63,282.57	-	912.36	-	64,194.93	56,947.76	-	2,351.31	-	59,299.07	4,895.86	6,334.81
iv.	Furniture and Fixtures	42,793.94	-	-	-	42,793.94	23,214.58	-	3,744.88	-	26,959.46	15,834.48	19,579.36
v.	Buildings	6,10,769.91	-	-	-	6,10,769.91	55,233.33	-	9,670.54	-	64,903.87	5,45,866.04	5,55,536.58
vi.	Land	12,46,045.52	-	-	-	12,46,045.52	-	-	-	-	-	12,46,045.52	12,46,045.52
vii.	Electrical Installations	18,572.97	-	-	-	18,572.97	10,177.33	-	1,628.83	-	11,806.16	6,766.81	8,395.64
viii.	Lease Hold Improvements	37.35	-	-	-	37.35	37.35	-	-	-	37.35	-	-
ix.	Vehicle	11,939.74	-	-	-	11,939.74	7,485.52	-	1,417.88	-	8,903.40	3,036.34	4,454.22
x.	Moulds	35,045.15	-	-	11,454.00	23,591.15	3,171.97	-	1,185.09	178.52	4,178.54	19,412.61	31,873.18
	Total Tangible Assets(A)	23,46,141.11	-	3,069.14	11,761.06	23,37,449.19	4,38,667.60	-	27,672.35	276.29	4,66,063.67	18,71,385.52	19,07,473.51

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Notes to Financial Statements for the year ended 31st March 2025

PARTICULARS

As at 31/03/2025
Rs. In Hundreds

As at 31/03/2024
Rs. In Hundreds

Note No : 13 Intangible Assets

S.No	Particulars	Gross Block (At Cost)					Depreciation/Amortisation					Net block	
		As at April 1, 2024	*Adj ustments	Additions during the year	Deductions during the year	As at March 31, 2025	Up to April 1, 2024	*Adj ustments	Addition for the year	Deletion for the year	Up to March 31, 2025	As at March 31, 2025	As at March 31, 2024
i.	Intangible Assets	13,64,336.79	-	-	4,281.20	13,60,055.59	12,96,130.81	-	-	4,078.00	12,92,052.81	68,002.78	68,205.98
ii.	Stencils	1,346.20	-	-	1,346.20	-	1,269.99	-	8.90	1,278.89	-	-	76.21
	Total Intangible Assets (B)	13,65,682.99	-	-	5,627.40	13,60,055.59	12,97,400.80	-	8.90	5,356.89	12,92,052.81	68,002.78	68,282.19
iii.	Capital WIP	-	-	-	-	-	-	-	-	-	-	-	-
iv.	Intangible Assets under development	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B)	37,11,824.10	-	3,069.14	17,388.46	36,97,504.78	17,36,068.40	-	27,681.25	5,633.18	17,58,116.48	19,39,388.30	19,75,755.70

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Notes to Financial Statements for the year ended 31st March 2025

PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
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1. Disclosure on the Reclassification of Intangible Asset to Property, Plant and Equipment

During the current financial year, the Company has reclassified an asset to Property, Plant and Equipment (PPE) which was disclosed under Intangible Assets i.e., (Moulds)

The reclassification was carried out upon reassessment of the nature and characteristics of the asset, which the Management has now considered that Moulds meet the definition of a tangible fixed Asset as per Accounting Standard (AS) 10, Property, Plant and Equipment.

The said asset is being depreciated using the unit of production method until the previous year and the same Method is applied after the reclassification of Asset. Since the same basis of depreciation has been applied both in prior periods (when classified as Intangible Asset) and in the current year (as PPE), there is no impact on the Statement of Profit and Loss by way of depreciation charged in prior periods, or on the carrying amount of the asset.

Accordingly, the asset has been regrouped under PPE from the current year onwards. Comparative figures of the previous year have also been reclassified to conform to the current year's presentation.

This is to clarify that the reclassification represents correction of an earlier misclassification and does not constitute a change in accounting policy as per AS-5.

2. During the year, the Company reviewed its Assets and found that some of them were no longer useful or capable of generating future benefits. As a result, these assets, with a net carrying value of ₹ 11,755.28, were written off and charged to the Statement of Profit and Loss.

Note No: 14 Non-Current Investments

a. Investments in Equity Instruments:

i. Investment in Mayuukha Pte Ltd¹

(Less): Provision for Investment in Equity Shares

2,77,735.66

2,77,735.66

(2,77,735.66)

(2,77,735.66)

0.00

0.00

ii. Investment in PINscale²

69,33,765.35

0.00

b. Investments in Preference Shares:

i. Investment in Mayuukha Pte Ltd¹

(Less): Provision for Investment in Preference Shares

33,11,229.49

0.00

(33,11,229.49)

0.00

69,33,765.35

0.00

1. Disclosure on the Investment in Mayuukha Pte Ltd

Mayuukha Pte Ltd (Mayuukha) was incorporated by ProYuga Advanced Technologies Limited (ProYuga) on February 5, 2018. ProYuga has made the investment in the equity shares of Mayuukha Pte Ltd in multiple tranches, as detailed below:

Date	Financial Year	No of Shares	Face value per share	Amount in USD
06-Mar-18	2017-18	1	1 USD per Share	1
28-Mar-18	2017-18	1,00,000	1 USD per Share	1,00,000
04-May-18	2018-19	1,00,000	1 USD per Share	1,00,000
07-Jun-18	2018-19	50,000	1 USD per Share	5,00,00
11-Sep-18	2018-19	1,50,000	1 USD per Share	15,00,00
Total				4,00,001

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Notes to Financial Statements for the year ended 31st March 2025**PARTICULARS****As at 31/03/2025
Rs. In Hundreds****As at 31/03/2024
Rs. In Hundreds**

ProYuga holds 4,00,001 equity shares (87.42% stake) in Mayuukha Pte Ltd, making it a subsidiary. The investment was made in compliance with ODI regulations, and necessary intimations filed with the RBI through the AD banker and obtained the UIN: BYJAZ20180339 and periodical Annual Performance Report submitted with AD Banker till Financial year 2021-22.

Apart from the Equity Investment ProYuga has granted loans to Mayuukha Pte Ltd in multiple tranches from the financial years 2018-19 to 2021-22. The details of the loan disbursements are provided below:

Financial Year	Date	Amount (In USD Hundreds)	Conversion Rate (Historic Cost)	Amount (In INR Hundreds)
2018-19	18-Oct-18	3,000.00	74.62	2,23,860.00
2018-19	14-Dec-18	5,000.00	72.19	3,60,950.00
2018-19	21-Feb-19	5,000.00	72.08	3,60,400.00
2019-20	12-Sep-19	4,000.00	72.56	2,90,240.00
2019-20	10-Oct-19	7,000.00	72.08	5,04,560.00
2019-20	19-Nov-19	5,000.00	73.15	3,65,750.00
2019-20	30-Dec-19	5,300.00	72.39	3,83,667.00
2019-20	24-Jan-20	1,200.00	72.35	86,820.00
2019-20	26-Feb-20	1,200.00	72.95	87,540.00
2019-20	26-Mar-20	3,100.00	76.44	2,36,964.00
2021-22	28-Feb-22	5,000.00	76.49	3,82,450.00
		44,800.00		32,83,201.00

The Company waived interest on the loan extended Mayuukha Pte Ltd, in view of the adverse impact of the COVID-19 pandemic for the period FY 19-20 to FY 23-24. This step was taken as a shareholder support measure to preserve and enhance long-term shareholder.

For the year ended 31st March 2022, considering the financial condition of Mayuukha Pte Ltd, the management of the Company created a provision for diminution in respect of the entire carrying value of its Investment in Equity and loan granted to Mayuukha Pte Ltd along with accrued and recognised Interest.

On 13th July 2022, Mayuukha Pte Ltd undertook a further issue of its equity shares, in which PINscale Technologies Limited (previously Known as PINscale Technologies Private Limited) subscribed to 32,50,000 shares. Pursuant to this investment, PINscale Technologies Limited acquired a 87.66% stake in Mayuukha Pte Ltd, thereby becoming its holding company. Consequently, Mayuukha Pte Ltd ceased to be a subsidiary of ProYuga with effect from the date of such issue. Post this transaction, ProYuga Ltd retained a 10.79% equity interest in Mayuukha Pte Ltd.

During the Financial Year 2024-25 as per mutual agreement between ProYuga and Mayuukha Pte Ltd, entire outstanding loan and interest accrued and recognised has been converted into Non-Cumulative Redeemable Convertible Preference Shares (NCRCPs) of Mayuukha Pte Ltd on dated 27th March 2025. Management is of the view that this conversion does not require separate reporting to the Authorised Dealer (AD) banker. The key terms of Conversion of loan into preference shares are described below:

Instrument	13% Non-Cumulative Redeemable Convertible Preference Shares
Face value of Share	1 USD
Issue Price of Share	1 USD
Coupon Rate	13%
No. of Preference shares converted against loan outstanding and Interest Accrued and recognised	45,20,520
Date of Allotment	27-Mar-25
Tenure	10 years from the date of allotment
Redemption Terms	The NCRCPs shall be redeemable upon earlier occurrence of: (a) Completion of Tenure (or)

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PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
	(b) The NCRCPs shall be deemed to have been redeemed when an option to convert them into ordinary equity shares is exercised and NCRCPs are converted into ordinary equity shares, upon completion of the Tenure or at any time before the expiry of the Tenure at the option of the Preference Shareholder.	
Redemption Price	In the event NCRCPs are redeemed at the completion of Tenure, holder of NCRCPs shall be paid an amount which shall be the fair value of the preference shares at the time of redemption accordance with the Applicable Law. The premium shall be computed at value not less than Internal Rate of Return (IRR) of 13% from the date of issuance of loan in various tranches provided that no dividend is paid on NCRCPs and subject to availability of reserves and surplus	

In spite of loan and Accrued Interest (which is recognised) converted into Preference shares the Management of ProYuga under the conservative note would like to continue the provision for diminution for value of investment in Preference shares in Mayuukha Pte Ltd. Further, Interest Accrued and recognised for FY 2018-19 which is converted into Preference shares for which the provision for Diminution in the value of Investment has been debited to Statement of Profit and Loss of an amount ₹ 28,028.48/-

2. Disclosure on Investment in PINscale: -

The investment in PINscale represents 10,66,73,229 equity shares in PINscale Technologies Limited at ₹6.5 per share. This investment was made through a share swap involving 2,23,66,985 equity shares of ProYuga Advanced Technologies Limited, each valued at ₹31 (₹1 face value and ₹30 premium). The valuation of ProYuga's shares is based on the valuation report dated 2nd August 2024.

Note No: 15 Deferred Tax Asset

a. Deferred Tax Asset	9,11,318.60	9,29,158.54
	9,11,318.60	9,29,158.54

Refer Note No-33 for detailed disclosure on the calculations of Deferred Tax Asset.

Note No: 16 Long Term Loans and Advances

a. Loans and advances to related parties		
i. Loans to Rentian Private Limited ¹	5,65,000.00	5,65,000.00
ii. Loans to iBuild Innovation India Private Limited ²	0.00	25,77,492.87
iii. Loans to Mayuukha Pte Ltd ³	0.00	32,83,201.00
(Less): Provision for Loan to Mayuukha Pte Ltd	0.00	(32,83,201.00)
	5,65,000.00	31,42,492.87

Disclosure on Long Term Loans and Advances to related parties:

- Disclosure on Loans Given to Rentian Private Limited:** The Company has granted a business loan to Rentian Private Limited (Rentian), a related party. Rentian qualifies as a related party since, relative of the Company's director is a director in Rentian and holds 50% shareholding therein. The key terms of the loan are summarised below:

Date of loan given	31st January 2024
Secured or Unsecured	Secured
Date of Provision of security	27 th March, 2025
Amount of Loan given	5,65,000.00
Type of Security	Memorandum of Title Deposits(Immovable Property)
Address of Property	
Rate of Interest	12% p.a.
Accrued Interest but due till 31 st March, 2025.	71,190.01
Repayment Terms	Loan along with interest accrued should be repaid within 3 years

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PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
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	from the effective date or any extended term as mutually agreed between the parties
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2. **Disclosure on Loans Given to iBuild:** Loan given to iBuild Innovation India Private Limited is reclassified to Short terms loans and advances (Note No. 21) under Current Assets as the loan is receivable within next 12 months from Balance sheet date.
3. **Disclosure on Loans Given to Mayuukha Pte Ltd:** Loan given to Mayuukha Pte Ltd has been converted into Preference Shares during the year dated 27th March 2025 which has been duly disclosed under Note no. 14, until the date of conversion the loan being a Monetary Item the loan was not restated at the exchange rates as at the balance sheet dates of earlier years in line with AS-11 compliances, which is in accordance with the Company's accounting policy of not recognizing unrealized foreign exchange gains on foreign currency items, consistent with the principle of conservatism.

Note No: 17 Other Non-current Assets

a. Security Deposit	28,254.32	95,341.28
b. Fixed Deposits ¹	7,664.33	7,298.29
c. Rental deposits ²	0.00	7,500.00
d. Interest Accrued But not Due ³	71,190.01	38,233.01
e. Electricity Deposit	103.41	192.27
	<u>1,07,212.07</u>	<u>1,48,564.85</u>

1. The Company has placed a fixed deposit of ₹ 7,664.33 with its banker, which has been lien-marked/pledged as security against the Company's credit card facility. The deposit is not available for free use until the release of the credit card facility.
2. The rental deposit has been classified under Current Assets (Note No. 22), as the lease of the premises was terminated on 6th May 2025.
3. Interest accrued but not due during the current FY_24-25 includes the interest accrued but not due on loan granted to Rentian Private Limited but not due for payment. Refer Note 32.6.2 for disclosure on Related Party Transactions

Note No: 18 Inventories

a. Raw Materials	42,345.29	44,814.61
b. Finished Goods	4,135.56	3,903.54
c. Inventory (Acquired for Trading) ¹	10,418.77	10,418.77
d. Demo Finished Goods ¹	7,275.82	7,275.82
	<u>64,175.44</u>	<u>66,412.74</u>

1. Disclosure on Inventory and Demo Finished Goods:

Certain inventories purchased in earlier years for trading purposes, along with demo finished goods, are no longer usable and have minimal realizable value. The Company intends to dispose of these items at scrap value.

Note No: 19 Trade Receivables

a. Trade Receivables	3,99,068.16	41,367.86
	<u>3,99,068.16</u>	<u>41,367.86</u>

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PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
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Trade Receivables Ageing Schedule - As at 31.03.2025

Particulars	Outstanding for the following periods from the due date for payment						Total
	Not Due	< 6 Months	6 Months to 1 Year	1 to 2 years	2 to 3 years	> 3 Years	
Secured							
(i) Undisputed Trade receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured							
(i) Undisputed Trade receivables - considered good	0.00	3,92,940.11	5,691.05	437.00	0.00	0.00	3,99,068.16
(ii) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	3,92,940.11	5,691.05	437.00	0.00	0.00	3,99,068.16

Trade Receivables Ageing Schedule - As at 31.03.2024

Particulars	Outstanding for the following periods from the due date for payment						Total
	Not Due	< 6 Months	6 Months to 1 Year	1 to 2 years	2 to 3 years	> 3 Years	
Secured							
(i) Undisputed Trade receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured							
(i) Undisputed Trade receivables - considered good	0.00	38,218.25	944.00	2,205.61	0.00	0.00	41,367.86
(ii) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	38,218.25	944.00	2,205.61	0.00	0.00	41,367.86

Note No: 20 Cash and Cash equivalents

a. Cash on Hand	10.11	77.09
b. Balance with Banks in Current Accounts	80,031.05	4,79,437.61
c. Balance with Banks in Deposit Accounts	3,00,203.00	1,00,000.00
d. Balance in Wallets	2,862.40	6,721.63
	<u>3,83,106.56</u>	<u>5,86,236.33</u>

Note No: 21 Short Term Loans and Advances

a. Advance to Employees	0.00	3,750.00
b. Loans and advances to related parties:		
i. Loans to iBuild ¹	21,70,921.47	0.00
c. Advance to Creditors	323.64	7,426.22
	<u>21,71,245.11</u>	<u>11,176.22</u>

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Notes to Financial Statements for the year ended 31st March 2025

PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
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1. **Disclosure on Loans given to iBuild:** The Company has granted 3 business loans to iBuild Innovations India Private Limited (iBuild), iBuild is a related party of the Company, since the relative of the Company's director is share holders holding 97.78%

Loan I amounting to Rs. 5,70,000.00/- is granted on 15th July 2019 which has been repaid in FY 2021-22. The key terms of the loan II and III are summarised below:

Particulars	Loan II		Loan III	
	Original	Extended	Original	Extended
Date of Agreement (Effective date)	1 st April 2020	9 th March 2023	1 st April 2021	1 st February 2024
Payment Terms	Principal along with Interest accrued (for loan tenure) is payable within 3 years from the effective date	Borrower is liable to repay the outstanding principal together with all accrued interest thereon, in full, on or before 30th September 2025.	Principal along with Interest is payable within 3 years from the effective date	Borrower is liable to repay the outstanding principal together with all accrued interest thereon, in full, on or before 30th September 2025.
Secured or Unsecured	Unsecured		Unsecured	
Rate of Interest	12%	12%	12%	12%
Interest rate, if not paid within agreement tenure	18%	18%	18%	18%
Amount disbursed	10,68,500.00	-	14,76,924.82	-
Amount Repaid	3,43,500.00	-	31,003.39	-
Amount Outstanding on 31st March 2025	7,25,000.00	7,25,000.00	14,45,921.47	14,45,921.47
Note: Interest for the FY 23-24 has been waived off as per the mutual agreement between the parties				

Note No : 22 Other Current Assets

a. Prepaid Expenses	2,014.33	2,487.76
b. Balance with Revenue Authorities	4,40,754.89	4,00,557.22
c. Interest Accrued on Loans Given	6,41,030.92	0.00
d. Interest Accrued on Fixed Deposits	1,505.99	0.00
e. Miscellaneous Current Assets	626.85	743.70
f. Unbilled Revenue	28,345.17	10,193.71
g. Rental deposits	5,351.10	0.00
	11,19,629.25	4,13,982.39

Note No : 23 Revenue from Operations

a. Sale of Goods - Domestic	76,002.25	93,804.24
b. Sale of Export Services	3,86,610.16	6,33,037.38
c. Sale of Services	5,28,300.59	1,16,746.87
	9,90,913.00	8,43,588.49

Note No : 24 Other Income

a. Interest Income from Loans ¹	3,28,310.57	66,800.25
b. Net gain/loss on foreign currency translation and transaction	12.51	60.57
c. Rent Income	57,092.40	59,316.50
d. Interest on Income tax refund	3,068.70	0.00
e. Interest on Fixed deposits	4,770.72	8,752.17

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Notes to Financial Statements for the year ended 31st March 2025

PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
f. Revenue Grant	0.00	3,71,266.15
g. Other Non-operating Income	416.02	54.08
	<u>3,93,670.92</u>	<u>5,06,249.72</u>
1. <u>Disclosure on Interest Income from Loans:-</u>		
Interest income includes interest earned on loans granted to related parties. For detailed disclosures, refer to Note No. 32.6.2 of the financial statements.		
Note No : 25 Manufacturing Expenses		
a. Cost of goods Sold	30,348.68	34,424.05
b. Packing Material	800.05	2203.53
c. Shipping expenses	8,426.36	7,143.20
	<u>39,575.09</u>	<u>43,770.78</u>
Note No : 26 Employee Benefits Expense		
a. Salaries and wages	2,69,239.43	2,93,398.62
b. Staff welfare expenses	580.17	188.11
c. Bonus to Employees	12,359.37	38,951.13
d. Leave Encashment	5,786.50	5,227.07
e. Gratuity to employees	(1,550.40)	7,261.10
f. PF Contribution	5,133.40	5,454.72
g. ESI Contribution	72.70	12.60
h. Labour Welfare Fund	1.10	1.35
i. PF Admin Charges	427.80	454.56
	<u>2,92,050.07</u>	<u>3,50,949.26</u>
Note No : 27 Finance Costs		
a. Interest on Secured Loans	33,038.79	66,176.57
	<u>33,038.79</u>	<u>66,176.57</u>
Note No : 28 Other Expense		
a. Power and Fuel	17,920.18	14,334.22
b. Rent Expense ¹	16,856.22	10,559.55
c. Office Maintenance	1,736.72	1,582.45
d. Repairs and Maintenance	5,552.34	4716.72
e. Advertisement and Sales Promotion	46,997.42	2,34,353.62
f. Professional and Consultancy Charges	2,98,377.72	2,62,058.76
g. Travelling Expenses	4,541.70	1,764.03
h. Telephone and Internet charges	909.18	1,390.64
i. Rates and taxes	11,503.90	9,585.83
j. Subscriptions	1,26,611.10	1,16,935.12
k. Bad Debts written off	3,149.61	2,488.98
l. Loss on Sale of Fixed Assets	0.00	330.83
m. Bank Charges General	857.10	1,546.65
n. Payment to Auditors	4,500.00	4,500.00
o. Assets Written off	11,275.48	994.74
p. Platform fee and Subvention Charges	6,241.13	1301.38
q. Forex Gain or Loss	4,816.02	7,028.97
r. Investment Written off	0.00	24,940.00

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Notes to Financial Statements for the year ended 31st March 2025

PARTICULARS	As at 31/03/2025 Rs. In Hundreds	As at 31/03/2024 Rs. In Hundreds
s. Withholding Taxes Written off	0.00	49,441.34
t. Provision for Investment in Preference Shares ²	28,028.48	0.00
u. TDS Written off	2,461.02	17,866.89
v. Other expenses	1,813.03	728.79
	5,94,148.35	7,68,449.51

1. The Company's rental expenditure comprises MCS-Rent, which represents payments made to MCS partners for the use of their premises. MCS-Rent is determined as a specified percentage of the revenue earned by the Company and may vary depending on the terms agreed with each party. These payments are made in consideration of the right to use such premises for revenue generation.

2. During the current financial year, the entire outstanding loan amount of USD 44,80,000 (carrying amount in books of accounts equal to ₹ 32,83,201.00) given to Mayuukha Pte Ltd along with interest accrued and recognised for FY_2018-19 of USD 40,520 for the financial year 2018-19 was converted into Non-Cumulative Redeemable Convertible Preference Shares (NCRCPs) in ₹ 28,028.48. representing the interest accrued and recognised for FY 2018-19 for which provision for Diminution in the value of Investment has been debited to Statement of Profit and Loss of an amount ₹ 28,028.48/- due to financial conditions of Mayuukha Pte Ltd.

Note No : 29 Exceptional Items

a. Prior period items	1,014.11	109.00
	1,014.11	109.00

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

30. Contingent Liabilities and Commitments

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Contingent liabilities	-	-
(i) Claims against the company not acknowledged as debt;	-	-
(ii) Guarantees;	-	-
(iii) Other money for which the company is contingently liable	Note-1	-
(b) Commitments shall be classified as	-	-
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for;	-	-
(ii) Uncalled liability on shares and other investments partly paid;	-	-
(iii) Other commitments	-	-
Total	-	-

Note - 1: The Company has received a draft assessment order dated 28th February 2025 pursuant to a show cause notice issued on 23rd February 2025, wherein an addition of income amounting to ₹11,86,118.47/- has been proposed by the Assessing Officer. The Company has challenged the said order before the Dispute Resolution Panel (DRP). The management is of the view that the demand will not crystallize. Accordingly, no provision has been made in the financial statements.

31. Earnings Per Share

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extraordinary item.

- i. **Basic EPS:** The number of equity shares used in computing basic earnings per share is the weighted average number of Equity shares outstanding during the year.
- ii. **Diluted EPS:** The number of shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.
- iii. **Presentation:** EPS is presented for each period for which a Statement of Profit and Loss is presented. Where applicable, EPS for continuing and discontinuing operations is disclosed separately. The face value (par value) per share used in the EPS calculation is also disclosed.

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

S. No.	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	Net Profit after Tax (as per SOPL)	3,79,236.32	(1,09,071.80)
(ii)	Less: Preference Dividend if any provided on non-cumulative preference shares	-	-
(iii)	Less: Preference dividend on cumulative preference shares whether or not provided	-	-
(iv)	Amount attributable to shareholders(A)	3,79,236.32	(1,09,071.80)
(v)	Weighted Average number of equity shares(B)	27,72,75,751	26,27,98,823
(vi)	A divided by B = Basic EPS	0.14	-0.04
	Diluted EPS	0.14	-0.04
	Nominal value per share	1.00	1.00

32. Related Party Disclosures

32.1. Associates: Nil

32.2. Subsidiaries:

XR Technologies Limited (till 13th January 2024)

32.3. Key Managerial Personnel

S. No.	Key Managerial Personnel	Nature of Relationship	Reference
(a)	Vasantha Sai Sama	Whole-Time Director	Para 3(d) of AS-18
(b)	Sai Kiran Nallapaneni	Whole-Time Director	Para 3(d) of AS-18
(c)	Sai Teja Manchukanti	Non-Executive Director	Para 3(d) of AS-18
(d)	Sriram G Teja	Executive Director	Para 3(d) of AS-18
(e)	Venugopala Rao Kancherla	Independent Director	Para 3(d) of AS-18
(f)	Thanmai Gurijala	Independent Director	Para 3(d) of AS-18
(g)	Sai Sasank S Ganesh Parimi	Chief Executive Officer (CEO)	Para 3(d) of AS-18
(h)	Karumuru Gowtham Reddy	Chief Financial Officer (CFO)	Para 3(d) of AS-18
(i)	Vasavi Latha Garapati (From 1 st Feb 2025)	Company Secretary (CS)	Para 3(d) of AS-18
(j)	Praveen Jha (Till 3 rd Aug 2024)	Company Secretary (CS)	Para 3(d) of AS-18
(k)	Shubhi Singhal (Till 30 th Dec 2023)	Company Secretary (CS)	Para 3(d) of AS-18

ProYuga Advanced Technologies Limited**CIN: U74999TS2017PLC176097****Hyderabad****Notes forming part of the Financial Statements for the Year Ended 31st March 2025****32.4. Relatives of Key Managerial Personnel**

S. No.	Name of Relative	Nature of Relationship	Reference
(a)	Nallapaneni Suresh	Father of Director Mr. Sai Kiran Nallapaneni	Para 3(d) of AS-18
(b)	Nallapaneni Syamaladevi	Mother of Director Mr. Sai Kiran Nallapaneni	Para 3(d) of AS-18
(c)	Nallapaneni Mahesh	Brother of Director Mr. Sai Kiran Nallapaneni	Para 3(d) of AS-18
(d)	Munjeti Mrudula	Spouse of Director Mr. Sai Kiran Nallapaneni	Para 3(d) of AS-18
(e)	Srinivas Manchukanti	Father of Director Mr. Sai Teja Manchukanti	Para 3(d) of AS-18
(f)	Manchukanti Anitha	Mother of Director Mr. Sai Teja Manchukanti	Para 3(d) of AS-18
(g)	Manchukanti Sai Abhilash	Brother of Director Mr. Sai Teja Manchukanti	Para 3(d) of AS-18
(h)	Manchukanti Sai Pavani	Spouse of Director Mr. Sai Teja Manchukanti	Para 3(d) of AS-18
(i)	Sriram Gurumurthy	Father of Director Mr. Sriram G Teja	Para 3(d) of AS-18
(j)	Sriram Varalakshmi	Mother of Director Mr. Sriram G Teja	Para 3(d) of AS-18
(k)	Sriram Gurumurthy Vishnu	Brother of Director Mr. Sriram G Teja	Para 3(d) of AS-18
(l)	Dabbara Meghana	Spouse of Director Mr. Sriram G Teja	Para 3(d) of AS-18
(m)	Venugopal Gurijala	Father of Director Mr. Thanmai Gurijala	Para 3(d) of AS-18
(n)	Gurijala Rajeswari	Mother of Director Mr. Thanmai Gurijala	Para 3(d) of AS-18
(o)	Gurijala Mounika	Sister of Director Mr. Thanmai Gurijala	Para 3(d) of AS-18
(p)	Edumudi Srikar Naidu	Spouse of Director Mr. Thanmai Gurijala	Para 3(d) of AS-18
(q)	Sama Vijaya Kumar Reddy	Father of Director Mr. Sama Vasantha Sai	Para 3(d) of AS-18
(r)	Ganta Koteswaramma	Mother of Director Mr. Sama Vasantha Sai	Para 3(d) of AS-18
(s)	Kancherla Venkateswara Rao	Father of Director Mr. Venugopala Rao Kancherla	Para 3(d) of AS-18
(t)	Kancherla Jhansi Lakshmi	Mother of Director Mr. Venugopala Rao Kancherla	Para 3(d) of AS-18
(u)	Kancherla Sivaraamakrishna	Brother of Director Mr. Venugopala Rao Kancherla	Para 3(d) of AS-18
(v)	Polavarapu Baby Venkateshwari	Sister of Director Mr. Venugopala Rao Kancherla	Para 3(d) of AS-18
(w)	Kancherla Sugana	Spouse of Director Mr. Venugopala Rao Kancherla	Para 3(d) of AS-18
(x)	Kancherla Prasanthi	Daughter of Director Mr. Venugopala Rao Kancherla	Para 3(d) of AS-18
(y)	Machina Srihari	Son-in-Law of Director Mr. Venugopala Rao Kancherla	Para 3(d) of AS-18

32.5. Enterprises owned or exercise significant influence by key managerial personnel or relative of Key managerial personnel.

S. No.	Name of the Party	Nature of Relationship	Reference
(a)	iBuild Innovations India Private Limited	Mr. Vasantha Sai Sama (Director)'s Father is Holding 97.78% Shares of the Company.	Para 3(e) of AS-18

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

S. No.	Name of the Party	Nature of Relationship	Reference
(b)	Rentian Private Limited	Mr. Sriram G Teja (Director)'s Brother is Holding 50% Shares of the Company.	Para 3(e) of AS-18
(c)	CyberEye Research Labs and Security Solutions Private Limited	Mr. Vasantha Sai Sama (Director)'s Father is Holding 39.64% Shares of the Company.	Para 3(e) of AS-18

32.6. Transactions with Related Parties

32.6.1. Transactions with Key Managerial Personnel

S. No.	Name of the Related Party	Description of Services	For the year ended 31st March 2025	For the year ended 31st March 2024
(a)	Vasantha Sai Sama	Employee Benefit Expenses	4,500.00	18,000.00
(b)	Sai Kiran Nallapaneni	Employee Benefit Expenses	12,000.00	11,480.00
(c)	Sai Kiran Nallapaneni	Reimbursements	109.15	-
(d)	Sriram G Teja	Employee Benefit Expenses	8,000.00	6,000.00
(e)	Sriram G Teja	Reimbursements	-	13.80
(f)	Venugopala Rao Kancherla	Reimbursements	27.85	-
(g)	Sai Sasank S Ganesh Parimi	Employee Benefit Expenses	24,000.00	24,000.00
(h)	Sai Sasank S Ganesh Parimi	Reimbursements	1,106.88	409.72
(i)	Karumuru Gowtham Reddy	Employee Benefit Expenses	20,000.00	14,000.00
(j)	Karumuru Gowtham Reddy	Reimbursements	1,927.75	853.46
(k)	Vasavi Latha Garapati (From 1 st Feb 2025)	Employee Benefit Expenses	1,666.66	-
(l)	Praveen Jha (Till 3 rd Aug 2024)	Employee Benefit Expenses	2,686.16	1,044.96
(m)	Shubhi Singhal (Till 30 th Dec 2023)	Employee Benefit Expenses	-	6,030.36
Grand Total			76,024.45	81,832.30

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S. No.	Name of the Related Party	Nature	Purpose of Transaction	For the year ended 31st March 2025	For the year ended 31st March 2024
(a)	Rentian Private Limited	Rental income	Rental Income	51,870.00	29,717.50
(b)	Rentian Private Limited	Liability	Amount Payable	859.48	-
(c)	Rentian Private Limited	Liability	Security Deposit Payable	450.00	450.00
(d)	Rentian Private Limited	Interest Income Accrued	Interest on Loan Receivable	67,800.00	11,300.00
(e)	CyberEye Research Labs and Security Solutions Private Limited	Rental Income	Rental Income	533.40	762.00
(f)	CyberEye Research Labs and Security Solutions Private Limited	Liability	Security Deposit Payable	-	1,800.00
(g)	CyberEye Research Labs and Security Solutions Private Limited	Interest Income Accrued	Interest Income	-	2,791.72
(h)	iBuild Innovations India Private Limited	Rental Income	Rental Income	533.40	762.00
(i)	iBuild Innovations India Private Limited	Liability	Security Deposit Payable	-	1,500.00
(j)	iBuild Innovations India Private Limited	Interest Income Accrued	Interest on Loan Receivable	2,60,510.57	-
(k)	iBuild Innovations India Private Limited	Asset	Purchase of Computers	-	320.00
(l)	iBuild Innovations India Private Limited	Asset	Amount Receivable	-	68.58
Grand Total				3,88,131.28	63,386.49

32.7. Loans to Related Parties

S. No.	Name of the Related Party	Opening Balance	Loan given during the year	Repayments during the year	Closing Balance
(a)	Rentian Private Limited	5,65,000.00	-	-	5,65,000.00

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S. No.	Name of the Related Party	Opening Balance	Loan given during the year	Repayments during the year	Closing Balance
(b)	iBuild Innovations India Private Limited	21,70,921.47	-	-	21,70,921.47
Grand Total		27,35,921.47	-	-	27,35,921.47

33. Disclosure on Computation of Deferred Tax

Particulars	As per I.T. Act	As Per Books	Difference	Tax Rate (%)	Deferred tax Liability/(Asset)
Depreciation	1,29,050.30	27,681.26	1,01,369.04	26	26,355.95
Disallowance u/s 43(B)(h)	-	-	-	26	-
Provision for Gratuity	1,478.08	(1,550.40)	3,028.48	26	787.40
Leave encashment	706.77	5,786.50	(5,079.73)	26	(1,320.73)
Retention Bonus	900.00	3,574.15	(2,674.15)	26	(695.28)
Provision for Diminution	-	28,028.48	(28,028.48)	26	(7,287.40)
Disallowance u/s 40(a)(ia)	-	-	-	26	-
Disallowance u/s 43(B)(a)	-	-	-	26	-
Allowance of PY disallowance	-	-	-	26	-
	1,32,135.15	63,519.99	(68,615.16)		(17,839.94)

Particulars	Amount
Opening Deferred Tax Liability/(Asset) as on 1-4-2024	(9,29,158.54)
Add: Deferred Tax liability/(Asset) recognized for the year 2024-25	17,839.94
Closing Deferred Tax liability/(Asset) as on 31-3-2025	(9,11,318.60)

34.1 Disclosure on Expense to be recognized in Statement of Profit and Loss Account as per Para 61 of AS-15: (Gratuity)

S. No.	Particulars	As at 31 st March 2025	As at 31 st March 2024
(i)	Current Service Cost	6,136.95	6,306.65
(ii)	Interest Cost	1,653.71	1,167.07
(iii)	Expected Return on Plan Asset	-	-
(iv)	Actuarial (Gains)/Losses	(10,819.14)	(212.62)
(v)	Past Service Cost (if any)	-	-
(vi)	Curtailments or settlements (if any)	-	-

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

S. No.	Particulars	As at 31 st March 2025	As at 31 st March 2024
	Sub-total	(3,028.48)	7,261.10
	Net expense recognized in SOPL	(3,028.48)	7,261.10

Disclosure pursuant to Para 119 to 123 (Reconciliation of Plan Asset and Obligation) of AS-15

S. No.	Changes in Plan Assets	As at 31 st March 2025	As at 31 st March 2024
(a)	FV of Plan assets at the beginning of period	-	-
(b)	Actual Return on Plan assets	-	-
(c)	Contributions into Plan Assets current period	-	-
(d)	Benefits paid or settlements (deduct)	-	-
(e)	Any other change	-	-
(f)	FV of Plan assets at the end of period	-	-
	Sub-total of (a) to (f)	-	-
	Changes in Obligation		
(a)	Obligations at the beginning of period	16,829.82	9,568.72
(b)	Current Service Cost	6,136.95	6,306.65
(c)	Interest Cost	1,653.71	1,167.07
(d)	Actuarial (gains)/losses	(10,819.14)	(212.62)
(e)	Past Service Costs now added (if any)	-	-
(f)	Curtailments	-	-
(g)	Actual Benefit Payments	-	-
	Sub-total of (a) to (g)	13,801.34	16,829.82
	Net obligation at the end of the period	13,801.34	16,829.82

Disclosure of Actuarial Assumptions used in calculations of Defined benefit obligation

Particulars	As at 31 st March 2025	As at 31 st March 2024
Discount Rate	6.37%	6.97%
Rate of increase in Compensation levels	7.13%	23%
Retirement Age	58	58
Cap Limit on the calculation of Gratuity calculation	20 Lakhs	20 Lakhs

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34.2 Disclosure on Expense to be recognized in Statement of Profit and Loss Account as per Para 61 of AS-15: (Leave Encashment)

S. No.	Particulars	As at 31 st March 2025	As at 31 st March 2024
(i)	Current Service Cost	2,978.15	3,425.93
(ii)	Interest Cost	1,074.12	819.04
(iii)	Expected Return on Plan Asset	-	-
(iv)	Actuarial (Gains)/Losses	1,734.23	982.10
(v)	Past Service Cost (if any)	-	-
(vi)	Curtailments or settlements (if any)	-	-
	Sub-total	5,786.50	5,227.07
	Net expense recognized in SOPL	5,786.50	5,227.07

Disclosure pursuant to Para 119 to 123 (Reconciliation of Plan Asset and Obligation) of AS-15

S. No.	Changes in Plan Assets	As at 31 st March 2025	As at 31 st March 2024
(a)	FV of Plan assets at the beginning of period	-	-
(b)	Actual Return on Plan assets	-	-
(c)	Contributions into Plan Assets current period	-	-
(d)	Benefits paid or settlements (deduct)	-	-
(e)	Any other change	-	-
(f)	FV of Plan assets at the end of period	-	-
	Sub-total of (a) to (f)	-	-
	Changes in Obligation		
(a)	Obligations at the beginning of period	6,946.97	3,212.83
(b)	Current Service Cost	2,978.15	3,425.93
(c)	Interest Cost	1,074.12	819.04
(d)	Actuarial (gains)/losses	1,734.23	982.10
(e)	Past Service Costs now added (if any)	-	-
(f)	Curtailments	-	-
(g)	Actual Benefit Payments	(706.77)	(1,492.93)
	Sub-total of (a) to (f)	12,026.70	6,946.97
	Net obligation at the end of the period	12,026.70	6,946.97

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Discount Rate	6.35%	6.93%
Rate of increase in Compensation levels	7.13%	23%
Retirement Age	58	58
Cap Limit on the calculation of Leave Encashment calculation	NA	NA

34.3 Disclosure on Expense to be recognized in Statement of Profit and Loss Account as per Para 61 of AS-15: (Retention Bonus Plan)

S. No.	Particulars	As at 31 st March 2025	As at 31 st March 2024
(i)	Current Service Cost	-	29,923.63
(ii)	Interest Cost	1,621.35	165.67
(iii)	Expected Return on Plan Asset	-	-
(iv)	Actuarial (Gains)/Losses	1,652.81	-
(v)	Past Service Cost (if any)	-	-
(vi)	Curtailments or settlements (if any)	-	-
	Sub-total	3,274.16	30,089.30
	Net expense recognized in SOPL	3,274.16	30,089.30

Disclosure pursuant to Para 119 to 123 (Reconciliation of Plan Asset and Obligation) of AS-15

S. No.	Changes in Plan Assets	As at 31 st March 2025	As at 31 st March 2024
(a)	FV of Plan assets at the beginning of period	-	-
(b)	Actual Return on Plan assets	-	-
(c)	Contributions into Plan Assets current period	-	-
(d)	Benefits paid or settlements (deduct)	-	-
(e)	Any other change	-	-
(f)	FV of Plan assets at the end of period	-	-
	Sub-total of (a) to (f)	-	-
	Changes in Obligation		
(a)	Obligations at the beginning of period	30,089.30	-
(b)	Current Service Cost	-	29,923.63
(c)	Interest Cost	1,621.35	165.67
(d)	Actuarial (gains)/losses	1,652.81	-
(e)	Past Service Costs now added (if any)	-	-
(f)	Curtailments	-	-

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S. No.	Changes in Plan Assets	As at 31 st March 2025	As at 31 st March 2024
(g)	Actual Benefit Payments	(13,200.00)	-
	Sub-total of (a) to (f)	20,163.46	30,089.30
	Net obligation at the end of the period	20,163.46	30,089.30

Disclosure of Actuarial Assumptions used in calculations of Defined benefit obligation

Particulars	As at 31 st March 2025	As at 31 st March 2024
Discount Rate	6.47%	6.85%
Rate of increase in Compensation levels	9.48%	23%
Retirement Age	58	58
Cap Limit on the calculation of Retention bonus calculation	NA	NA

35. Other Regulatory Requirements

- 35.1. The title deeds (registered sale deed/ transfer deed/ registered joint development agreements) of all the immovable properties are held in the name of the company (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) which has been disclosed in the financial statements as Fixed Assets.
- 35.2. The company has not revalued its Property, Plant and Equipment during the Year.
- 35.3. Company has not granted loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties, which are repayable on demand or where the agreement does not specify any terms or period of repayment.
- 35.4. The Company does not have Capital Work-in-Progress during the Financial Year.
- 35.5. The Company does not have Intangible Assets Under Development.
- 35.6. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 35.7. The Company does not have borrowings from banks or financial institutions on the basis of security of current assets.
- 35.8. The company is not declared as a wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India.

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35.9. The Company has not entered into any transactions with Companies struck off under section 248 of the Companies Act, 2013.

35.10. The Company has created the Charges within the time limits specified under the Companies Act, 2013 except for the below

Name of the Financer	Charge Amount	Due date to create charge/modification	Actual date of charge creation/Modification	Reason for Delay
ICICI Bank	1,55,000.00	18-Aug-2018	-	-

35.11. The Company does not have subsidiaries, Associates, Joint Ventures as on the date of balance sheet date. Therefore, the Compliance with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

35.12. Financial Ratios

Ratio	Numerator considered	Denominator considered	Current Period	Previous Period	% Variance	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	8.06	1.86	333%	Refer Note (a)
(b) Debt-Equity Ratio	Total Debt	Shareholder's Funds	0.02	0.05	-57%	Refer Note (b)
(c) Debt Service Coverage Ratio	Earning for debt service	Interest+ Instalment	8.39	4.05	107%	Refer Note (c)
(d) Return on Equity Ratio	Net Profit after Tax	Average Shareholder's Funds	4%	-2%	291%	Refer Note (d)
(e) Inventory Turnover Ratio	COGS	Average Inventory	0.61	0.60	1%	NA*
(f) Trade Receivables Turnover Ratio	Credit Sales	Average accounts receivable	4.50	15.73	-71%	Refer Note (e)
(g) Trade payables Turnover Ratio	Credit purchases	Average Accounts payable	1.22	1.53	-20%	Refer Note (f)
(h) Net capital turnover Ratio	Net Sales	Average Working Capital	0.48	1.17	-69%	Refer Note (a)
(i) Net profit Ratio	Net Profit	Sales	27%	-8%	439%	Refer Note (c)

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

Ratio	Numerator considered	Denominator considered	Current Period	Previous Period	% Variance	Reason for variance
(j) Return on Capital Employed	EBIT	Capital Employed	0.03	-0.01	371%	Refer Note (c)
(k) Return on Investment	PAT	Investment	NA	NA	NA	NA*

- a. The Company's current assets increased due to grouping of non-current investments into current assets and the increase in trade receivables, and current liabilities decreased when compared with the previous financial year.
- b. The company's debt during the current financial year is reduced compared to the previous financial year and Shareholder's funds increased because share capital was issued during the year due to which ratio is decreased.
- c. The company's profit during the current financial year is increased compared to the previous financial year due to decrease in depreciation and other expenses.
- d. The company's profit and shareholder's funds increased during the current financial year as compared to the previous year due to which ratio is increased.
- e. The Company's trade receivables have increased due to the billing made to Pinscale Technologies Limited on 31st March 2025 which occupies 65% of the total trade receivables as on the balance sheet date, due to which ratio is decreased.
- f. The company's trade payables have increased due to the billing made by Pinscale Technologies Limited on 31st March 2025 which occupies 58% of the total trade payables as on the balance sheet date, due to which ratio is decreased.

*Note: The Variance compared to the previous year is less than 25%, therefore not commented.

35.13. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

35.14.1. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

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- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries; the company shall disclose the following: -
 - (I) date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary.
 - (II) date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries along with complete details of the ultimate beneficiaries.
 - (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries.
 - (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).

35.14.2. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, the company shall disclose the following: -
 - (I) date and amount of fund received from Funding parties with complete details of each Funding party.
 - (II) date and amount of fund further advanced or loaned or invested other intermediaries or Ultimate Beneficiaries along with complete details of the other intermediaries' or ultimate beneficiaries.
 - (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
 - (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

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- 35.15. The provisions of Section 135 of the Companies Act, 2013 are not applicable to the company.
- 35.16. The Company has not invested or traded in the Crypto Currency or Virtual Currency during the financial year.
- 35.17. The Company does not have any transaction which is 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.

36. Foreign Currency Inflows and Outflows

36.1. Expenditure in Foreign Currency

S. No.	Particulars	Period Ended 31 st March 2025	Period Ended 31 st March 2024
1	Royalty	-	-
2	Know-how	-	-
3	Professional and Consultation Fees	-	-
4	Interest	-	-
5	Other Matters	30,071.87	2,08,367.33
	Total	30,071.87	2,08,367.33

36.2. Earnings in Foreign Exchange

S. No.	Particulars	Period Ended 31 st March 2025	Period Ended 31 st March 2024
1	Export of Goods	-	-
2	Royalty, Know-how, Professional and Consultation Fees	-	-
3	Interest or Dividends	-	-
4	Other Income (Export of Services)	3,86,610.16	10,04,303.53
	Total	3,86,610.16	10,04,303.53

37. The company has not received any Government grants during the year.
38. There are no events which will create an impact on financial statements that occurred after the Balance Sheet date i.e., 31st March 2025.

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Notes forming part of the Financial Statements for the Year Ended 31st March 2025

39. Pursuant to Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, it is a prerequisite that the books of account maintained by the Company in electronic mode include an audit trail feature capable of recording audit logs. The Company has used Tally Prime (edit log) as its accounting software for maintaining its books of accounts which has the automated edit log (Audit Trail) feature without an option to disable the feature. The audit trail (edit log) feature was enabled throughout the financial year ended 31st March 2025 and the management has ensured that during the course of the audit, no tampering has been made to the same.
40. The company does not have legal suits which are pending as on 31st March 2025.
41. Previous year's figures have been regrouped / recast wherever necessary to confirm to current year's disclosures.

As per our report of even date attached

For and on behalf of the Board

For R V K S and Associates

Chartered Accountants

Firm's Registration No.: 008572S

Sd/-

Sai Kiran Nallapaneni

Whole-Time Director

Place: Hyderabad

DIN: 09507261

Sd/-

Sai Sasank S Ganesh Parimi

Chief Executive Officer

Place: Hyderabad

Sd/-

K V Suresh Babu

Partner

Membership No.:217440

UDIN: 25217440BMLLGE9478

Sd/-

Sai Teja Manchukanti

Non-Executive Director

Place: Hyderabad

DIN: 07596317

Sd/-

Karumuru Gowtham Reddy

Chief Financial Officer

Place: Hyderabad

Place of Signature: Hyderabad

Date: 05-09-2025

Sd/-

Vasavi Latha Garapati

Company Secretary

Place: Hyderabad

M. No: A65841

Place of Signature: Hyderabad

Date: 05-09-2025