

**PROYUGA ADVANCED TECHNOLOGIES LIMITED**  
**(CIN: U74999MH2017PLC296222)**

**MUMBAI**

**THIRD ANNUAL GENERAL MEETING**

to be held on

Thursday, the 31<sup>th</sup> Day of December, 2020 at 10.00 A.M

**Registered Office:**

1609 Lodha Supremus Powai,  
Saki Vihar Road Oppo Mtnl Office,  
Powai, Mumbai-400072,  
Maharashtra, India  
Phone: 8008858585  
Email: [company@proyuga.tech](mailto:company@proyuga.tech)

## COMPANY INFORMATION

### Board Of Directors And Key Managerial Personnel

S no	Name of the Director/Key Managerial Personnel	Designation
1.	Mr. Trivikrama Reddy Kothinti	Managing Director & Chief Executive Officer
2.	Mr. Hari Haran Gorijavola	Non Executive Director
3.	Mr. Vasantha Sai Sama	Whole Time Director (Technical)
4.	Mr. Sriram G Teja	Whole Time Director (Technical)
5.	Ms. Spandana Rachamadugu	Whole Time Director (Marketing)
6.	Ms. Reshika Reddy Gattupally	Whole Time Director (Finance)
7.	Mr. Jaya Kiran Reddy Ambavarapu	Independent Director
8.	Mr. Venugopal Rao Kancherla	Independent Director
9.	Ms. Navya Surapaneni	Chief Financial Officer
10.	Mr. Prince Pandey	Company Secretary

### AUDITORS

M/s NRG & Co.  
Chartered Accountants,  
11-2-597/28, 303, 4th Floor,  
GVS Towers Beside Ramakrishna math,  
Lower Tank Bund Rd,  
Hyderabad, Telangana 500029

### SECRETARIAL AUDITOR

M/s. ASN Associates  
Company Secretary in Practice,  
Door No 9-29-19/A, Flat No 201, Level 2,  
Waltair Heights, Siripuram, opposite, Canara Bank,  
VIP Rd, Balaji Nagar, Visakhapatnam,  
Andhra Pradesh- 530003 India

### REGISTERED OFFICE

1609 Lodha Supremus Powai,  
Saki Vihar Road Oppo Mtnl Office,  
Powai, Mumbai-400072,  
Maharashtra, India  
Phone No: 8008858585

### INTERNAL AUDITOR

M/s. Nanduri & Associates,  
Chartered Accountants,  
Door No 9-29-19/A, Flat No 201, Level 2,  
Waltair Heights, Siripuram, opposite, Canara Bank,  
VIP Rd, Balaji Nagar, Visakhapatnam,  
Andhra Pradesh-530003, India

### REGISTRAR & SHARE TRANSFER AGENTS

KFin Technologies Private Limited  
Selenium Building, Tower-B  
Plot No 31&32, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad, Telangana - 500032 India



## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **THIRD ANNUAL GENERAL MEETING** of the Members of **PROYUGA ADVANCED TECHNOLOGIES LIMITED** will be held on Thursday, the 31st day of December, 2020 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 1609 Lodha Supremus Powai, Saki Vihar Road, Oppo Mtnl Office, Powai, Mumbai-400072, Maharashtra, India.

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements (Both Standalone and Consolidated Financial Statements) consisting of the Statement of Profit & Loss and Cash Flow Statement for the period ending 31<sup>st</sup> March, 2020 and the Balance Sheet as on that date, with all its Annexures, Schedules and Notes thereon together with the Independent Auditors' Report and the Directors' Report thereon.
2. To appoint a Director in place of Sriram G Teja (DIN: 07795458), Whole Time Director who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

3. **ACCORDING CONSENT FOR VARIATION OF THE TERMS OF 0.02% NON-CUMULATIVE REDEEMABLE PREFERENCE SHARES ("NCRPS") ALLOTTED ON 31.01.2018:**

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

"RESOLVED THAT pursuant to the provisions of Sections 48 and 55 of Companies Act, 2013 and applicable provisions, if any of the Companies Act,2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments and bodies as may be required and subject to such terms and conditions, alteration and modifications as may be considered appropriate and agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board), not affecting the rights of any other class of Shareholder and pursuant to the consent of the NCRPS holders, consent of the Members be and is hereby accorded for variation in the terms attached to 3,13,000 (Three Lakhs Thirteen Thousand Only) 0.02% Non Cumulative Redeemable Preference Shares (NCRPS) of face value of Rs. 10/- each

allotted on 31.01.2018 pursuant to the Members approval at their Extra-ordinary General Meeting held on 30.12.2017, as mentioned below:

**Varied Terms and Conditions:**

1) The Tenure of NCRPS (Non Cumulative Redeemable Preference Shares) be increased from three years to Seven years from the date of allotment as mentioned in the below table:

Number of NCRPS	Date of allotment	EGM date on which the Members approved the issue	Original Due date for redemption	Extended date of redemption
3,13,000	31.01.2018	30.12.2017	30.01.2021	any time before 30.01.2025

2) The NCRPS will be redeemed at any time before the extended due date i.e 30.01.2025 at the discretion of the Board at Rs 200/-.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of Directors of any other office(s) / Authorized Representative (s) of the Company to give effect to the aforesaid resolution.”

By Order of the Board  
For M/s. **ProYuga Advanced Technologies Limited**

Sd/-  
(Trivikrama Reddy Kothinti)  
Managing Director  
DIN: 07795482

**Registered office:**

1609, Lodha Supremus  
Powai, Saki Vihar Road  
Oppo MTNL Office  
Powai, Mumbai,  
Maharashtra-400072

Place: Kurnool

Date: 07th December 2020

## NOTES:

1. Pursuant to COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its Circular No. 20 dated 05<sup>th</sup> May 2020 read together with Circular No. 14 dated 08<sup>th</sup> April 2020 and Circular No. 17 dated 13<sup>th</sup> April 2020 (collectively referred to as "MCA Circulars") permitted convening of the AGM through Video Conference (VC) or Other Audio Visual Means (OAVM) without physical presence of Members at a common venue. In accordance with the provisions of Companies Act, 2013 and MCA Circulars, AGM is being held through VC or OAVM.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and Rule 19 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. Since this AGM is being held through VC or OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and attendance slip is not annexed hereto.
3. 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 from time to time) and MCA Circulars, the Company is providing facility of Remote e-Voting (e-Voting from a place other than venue of the Meeting) and e-Voting during AGM, to its Members in respect of the businesses to be transacted at the AGM. For this purpose, necessary arrangements have been made by the Company with NSDL to facilitate Remote e-Voting and e-Voting during AGM. The instructions for the process to be followed for Remote e-Voting and e-Voting during the AGM are forming part of this Notice.
4. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report for FY 2019-20 is being sent only through electronic mode to those Members whose name appear in the Register of Members / Beneficial Owners maintained by the Depositories as on benpos date i.e., 27<sup>th</sup> November 2020 and whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report for FY 2019-20 will also be available on the website of the Company, i.e. <https://www.proyuga.tech> and also available on the website of NSDL (Agency for Providing Remote E-voting facility) i.e [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
5. The recorded transcript of the AGM on Thursday, December 31, 2020, shall be maintained by the Company and also be made available on the website of the Company at the earliest soon after the conclusion of the Meeting.
6. The Relevant documents referred to in the accompanying Notice, Registers and all other documents will be available for inspection in electronic mode. Members can inspect the same up to the date of AGM, by sending an e-mail to the Company at [company@Proyuga.tech](mailto:company@Proyuga.tech)

7. The Company has appointed Mr. K Bhaskar as the Scrutinizer for scrutinizing the Remote e-voting and E-voting process to ensure that the process is carried out in a fair and transparent manner.

8. The Member whose name appears on the Register of Members / Beneficial Owners maintained by the Depositories as on the cut off date i.e., 25th December 2020 will only be considered for the purpose of Remote e-voting and E-voting.

9. Voting rights shall be reckoned on the paid-up value of shares registered in the name of Members / Beneficial Owners maintained by the Depositories as on the cut-off date i.e., 25<sup>th</sup> December 2020.

10. Pursuant to the Second Proviso of Section 47(2) of the Companies Act, 2013, the holders of the following preference shares with the following ISINs shall be entitled to attend, participate, speak and vote at the 03<sup>rd</sup> Annual General Meeting of the Company:

S no	ISIN	No of shares
1.	INE495Y03119	65,00,000
2.	INE495Y04018	3,13,000
3.	INE495Y03036	70,00,000
4.	INE495Y03044	84,00,000
5.	INE495Y03051	3,46,00,000
6.	INE495Y03069	1,55,85,000

\*Note: Except the holders holding above mentioned shares, all the remaining classes of Preference Shareholders shall treat this Notice for information purpose only and will not be entitled to participate in the AGM.

11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

12. The Members attending the AGM should note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote during the AGM through E-voting for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM.

13. A person who is not a Member as on the cut-off date i.e., 25th December 2020 should treat this Notice for information purpose only.

14. The Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries. Further, effective from April 01, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in a dematerialized form

with a depository. Therefore, the Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.

15. All grievances connected with the facility for voting by electronic means may be addressed to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

17. The deemed venue for 03<sup>rd</sup> AGM shall be the Registered Office of the Company at 1609, Lodha Supremus Powai, Saki Vihar Road, Oppo Mtnl Office, Powai, Mumbai-400072, Maharashtra, India.

18. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business is annexed hereto.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING BEFORE DAY OF AGM ARE AS UNDER:-**

The remote e-voting period begins on Monday, the 28th day of December, 2020 at 9:00 A.M. and ends on Wednesday, the 30th day of December, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>.**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

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

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

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

**4. Your User ID details are given below:**

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

**5. Your password details 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 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 point 6 in the 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](http://www.evoting.nsdl.com).

b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/ folio number, your PAN, your name and your registered address.

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

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

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

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

**Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.

3. Select “EVEN” of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. 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.

6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is 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 casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 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.

**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 bhaskar.kadiyala@gmail.com with a copy marked to evoting@nsdl.co.in, company@proyuga.tech.
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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**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 [company@proyuga.tech](mailto:company@proyuga.tech).

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [company@proyuga.tech](mailto:company@proyuga.tech).

2. Alternatively member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

### **VOTING RESULTS:**

1. The Scrutinizer shall, after the conclusion of the AGM, electronically submit the Consolidated Scrutinizer's Report (i.e., votes cast through Remote e-voting and E-voting during AGM) of the total votes cast in favour or against the resolution and invalid votes, to the Chairman of the AGM or to any other person authorised by the Chairman of the Company.

2. The result declared along with Scrutinizer's Report will be placed on the website of the Company at <https://www.proyuga.tech/> and on the website of NSDL at [www.nsdl.co.in](http://www.nsdl.co.in).

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under Shareholders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Shareholder/Members login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at company@proyuga.tech.
6. 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.
7. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

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**REGARDING ITEM NO.3:**

The Members are informed that the Company had issued and allotted 3,13,000 (Three Lakhs Thirteen Thousand Only) “0.02% Non-Cumulative Redeemable Preference Shares (NCRPS)” of Rs. 10/- each on 31<sup>st</sup> January, 2018 with a tenure of 3 years, and which are due to be redeemed on 30<sup>th</sup> January, 2021.

Now, the Board proposes for variation of the terms of the NCRPS as mentioned below:

**Varied Terms and Conditions:**

1) The Tenure of NCRPS (Non Cumulative Redeemable Preference Shares) be increased from three years to Seven years from the date of allotment as mentioned in the below table:

Number of NCRPS	Date of allotment	EGM date on which the Members approved the issue	Original Due date for redemption	Extended date of redemption
3,13,000	31.01.2018	30.12.2017	30.01.2021	any time before 30.01.2025

2) The NCRPS will be redeemed at any time before the extended due date i.e 30.01.2025 at the discretion of the board at Rs 200/-.

Pursuant to Section 48 of the Companies Act 2013 and other applicable provisions, if any, since the share capital of company is divided into different classes of shares, the rights attached to the shares of any class may be varied with the consent in writing of not less than three -fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class. The consent in writing of not less than three fourths of the NCRPS holders are already obtained for the said variation.

The Board decided to obtain the consent of the Equity Shareholders also for the said variation.

Hence, the Board of Directors recommends the adoption of the said Special Resolution as set out in Item No. 3 of the notice in the best interest of the Company.

A copy of the Memorandum and Articles of Association and all other statutory registers & records of the Company are open for inspection by Members of the Company at its registered office on any working day during the business hours.

Directors of the Company deemed to be interested in the proposed Resolutions to the extent of Proposed share to be allotted to them if any.

By Order of the Board  
For M/s. **ProYuga Advanced Technologies Limited**

Sd/-

(Trivikrama Reddy Kothinti)  
Managing Director  
DIN: 07795482

**Registered office:**

1609, Lodha Supremus  
Powai, Saki Vihar Road  
Oppo MTNL Office  
Powai, Mumbai,  
Maharashtra-400072

Place: Kurnool

Date: 07th December 2020

## DIRECTORS' REPORT

To,  
The Members,  
M/s. ProYuga Advanced Technologies Limited,  
Mumbai

Your Directors have pleasure in presenting the **Third Annual Report** and the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020.

### 1. FINANCIAL SUMMARY AND PERFORMANCE OF THE COMPANY:

The Company's financial performances for the year under review along with previous year's figures are given hereunder:

Particulars	Standalone		Consolidated	
	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019
Revenue from operations	3,14,19,626	1,47,15,997	32,900,930	1,47,15,997
Add: Other Income	95,86,983	55,55,072	14,098,320	22,47,993
<b>Total revenue</b>	<b>4,10,06,609</b>	<b>2,02,71,069</b>	<b>46,999,250</b>	<b>1,69,63,990</b>
Expenditure (excl. Depreciation)	13,78,72,910	19,78,07,916	181,859,161	<b>27,47,91,112</b>
Profits/(Loss) before Depreciation	(9,68,66,301)	(17,75,36,847)	( 134,859,911 )	(25,78,27,122)
Less: Depreciation	3,92,57,751	68,94,027	40,296,017	74,56,078
<b>Profits before extraordinary items and tax</b>	<b>(13,61,24,051 )</b>	<b>(18,44,30,874)</b>	<b>(175,155,928)</b>	<b>(2,62,83,200)</b>
Add: Income from Mat Credit Entitlement	Nil	NIL	Nil	Nil

Profit /(Loss) before Taxes	(13,61,24,051 )	<b>(18,44,30,874)</b>	(175,155,928)	<b>(26,52,83,200)</b>
Less: Tax expense	17,72,217	56,93,591	1,770,295	(56,93,591)
Net Profit/(Loss) of the Year	(13,78,96,268 )	<b>(19,01,24,465)</b>	(176,926,223)	<b>(27,0976,791)</b>

## 2. REVIEW OF OPERATIONS:

### Standalone:

During the year under review, the Company has earned an income of Rs. 4,10,06,609/- as against the previous year's income of Rs. 2,02,71,069/-. The expenditure incurred during the year (excluding depreciation) was Rs. 13,78,72,910/- as compared to the previous year's amount of Rs. 19,78,07,916/-. As a result, the Company has incurred Net Loss of Rs. 13,78,96,268/- during the year under review as compared to the Net Loss of Rs. 19,01,24,465/- incurred in the previous year.

### Performance of Subsidiary companies:

#### Mayuukha Pte Ltd,

Mayuukha Pte Ltd, was incorporated on 5<sup>th</sup> February, 2018 at Singapore. During the year under review revenue for the year was Rs. Nil

Net Loss After Tax for FY 2019-20 is Rs. (176,926,223)/- compared to previous year amount of Rs (27,0976,791)

During the year under consideration M/s Mayuukha Pte Limited mainly involved in taking products into different markets across the Globe with the help of the Parent Company.

As a part of the Global Expansion M/s Mayuukha Pte Lid had incorporated the Wholly Owned Subsidiaries in Australia with the name of M/s/. Mayuukha Pty Limited on 7<sup>th</sup> May, 2018 and in United Kingdom with the name of M/s. Mayuukha UK Pvt Limited on 22<sup>nd</sup> June, 2018. These two Companies are responsible for taking the Product into the Australia and UK market respectively and both the Companies have taken significant steps in this regard with the help of this Company with respect to building the communities in the said region and taking the product into market. The good results of the said operations will be reflected in the next Coming Financial year. The M/s. Mayuukha UK Pvt Limited had incorporated the Associate Company in Dubai on 11<sup>th</sup> October 2018 with the name of M/s. IBC Virtual Reality Video Games LLC to focus on the UAE market and take the product into market. The Company has taken the decision to liquidate to Dubai Associate Company and have initiated the process of liquidation. This decision is taken considering the future plans of the Company for which Company in Dubai is not a prerequisite.

### 3. DIVIDEND:

The Board has not recommended any dividend on the Equity Shares of the Company for the Financial Year 2019-20 in view of the financial position of the Company.

### 4. VISION OF THE COMPANY

The Vision of your Company is **“To make India a global leader in advanced technologies”**.

#### **Activities that are planned to achieve the Vision:**

1. To realize it's vision, the company is developing transformative products in Virtual, Augmented and Mixed Reality.
2. The company gives assistance to game developers in developing AR/VR/MR content in their games.
3. It also extends support to organizations across domains to use this technology to enhance their products or services, for capacity building, to improve the productivity of their employees, to give immersive demos, for visualizing data, rapid prototyping and testing, and much more.

### 5. KEY ACHIEVEMENTS AND RECOGNITIONS

#### **iB Cricket Gaming Arcades**

Your company has established gaming arcades across India reaching to a total 30 iB Cricket Arcades. iB Cricket aims to give some common delight zones for the cricketing fraternity to gather and facilitate a platform to show their love for cricket.

iB Cricket has already conducted tournaments and challenges across these places for constant engagement of the audience.

#### **Global Expansion of iB Cricket**

Your company has established a comprehensive business network including sales partners across 5 continents as a precursor to it's further global expansion and deeper penetration across countries

Various collaborations were achieved in multiple countries across entities such as cricket academies, luxury hotels, leading malls, corporates, consumer brands and much more

More than 80 corporates across 8 countries have thus far utilised iB Cricket's services to engage their employees. With this extensive network, your company shall organise corporate tournaments on a large scale in the coming months.

#### **iB Cricket in Singapore**

A special experience zone was set up at the Inspreneur 3.0 - India Singapore Summit organised by the High Commission of India in Singapore.

Esteemed dignitaries including Hon' External Affairs Minister of India Mr Subramanyam Jaishar witnessed your company's special experience zone and were duly impressed by the technology

### **iB Cricket in UAE**

Took part in Corporate Carnival which saw participation of 200+ employees across 30+ corporates thus establishing itself as one of the most integral part of any employee engagement activity in the region

iB Cricket was present at the eSports Games Cup organised in one of the most prestigious schools of UAE namely GEMS Wellington. It had run VR Cricket tournaments for classes 6-12 across 16 schools. This opened up your company's avenue in reaching out to schools and conducting inter/intra school tournaments

### **iB Cricket in Australia**

iB Cricket has worked with several stakeholders including brands, corporates and academic institutions in Australia. Your company has organised open VR tournaments in Melbourne eSports Open and Sports Tech World Series. iB Cricket was displayed in universities like RMIT and Swinburne for students to compete in. With a strong base at Australia, iB Cricket is all set to embark a strong impact during the upcoming T20 World Cup.

### **iB Cricket Super Over League**

Your company has launched the world's first virtual reality cricket tournament comprising 12 international cricketers namely Virender Sehwag, Brendon McCullum, Suresh Raina, Andre Russell, Prithi Shaw etc.

The tournament was streamed on Viu app and on Youtube and has **garnered 30M+ views till date & counting**

### **Strategic Partnerships with Plethora of Brands**

#### **iB Cricket with IPL'19**

Your company was the official VR Gaming Partners for 5 of the IPL Teams namely Chennai Super Kings, Delhi Capitals, Kolkata Knight Riders, Rajasthan Royals and Royal Challengers Bangalore

It had organised 140 events across 60 days of IPL in various cities of India enhancing the fan engagement of respective teams as fans played alongside the virtual avatars of M.S. Dhoni, Virat Kohli, Suresh Raina, AB de Villiers, Ajinkya Rahane, and many more.

Below are a few lines mentioned by the key executives of IPL Teams upon partnering with your company

*"We are delighted to partner with iB Cricket to bring cricketing action closer to CSK fans. Everyone loved playing cricket in immersive virtual stadiums. iB Cricket is a treat for fans and has the potential to spread the joy of playing the game."*

**Mr KS Viswanathan - CEO, Chennai Super Kings**

*"We are happy to partner with iB Cricket taking the fan engagement to a whole new level. All the cricketers are enjoying the experience of iB Cricket. This immersive virtual reality cricket has great potential to enthrall fans. This IPL season was exciting for all the RCB lovers, cheering for their team and playing iB Cricket."*

**Mr Sanjeev Churiwala - Chairman - RCB**

### **iB Cricket with Abu Dhabi T10 League'19**

Your company was the official VR Cricket Partner for the Abu Dhabi T10 League 2019

It had set up special experience zones within Sheikh Zayed Cricket Stadium for the entire schedule of the tournament and engaged 1000+ local cricket fans

Cricket Fans got a chance to play with the avatars of their favourite cricketers like Watson, Yuvraj, Zaheer Khan, Malinga etc and these games were made available to the customers at the iB Cricket arcades.

iB Cricket hasn't restricted itself to just the cricketing genre. Going beyond their realm, iB Cricket has also partnered with various brands from the movie industry in promoting the films through their unique marketing efforts

### **iB Cricket Super 30 Tournament**

Your company has partnered with Hrithik Roshan starrer Super 30, a 2019 Indian biographical drama film narrating the life of mathematician Anand Kumar and his educational program of the same name. The movie lauded a huge response in the film industry.

Your company had organised Super 30 Challenge across India for all the cricket and bollywood fans

iB Cricket Super 30 Challenge was conducted in 21 iB Cricket arcades of your company in India and it had witnessed 12K+ games played over a span of 30 days

### **Sarileru Neekevvaru - iB Cricket Challenge**

Your company has also formed an alliance with South India star Mahesh Babu's Sarileru Neekevvaru to widen the reach of the movie through monumental marketing activities Sarileru Neekevvaru - iB Cricket Challenge was run across 12 cities across India

The winners of the challenge got a chance to meet the hero of the film post movie release.

### **iB Cricket in popular media**

Your company was lauded for its VR technology & game in 150+ articles across 100+ media houses present throughout the globe.

### **Future Scope**

#### **iB Cricket Steam Version**

With the number of people logging on to Steam having significantly spiked up since the start of the year, iB Cricket is ready to be made available on Oculus Quest VR Headset. This would help the cricket fans across the globe play iB Cricket right from their living room. With the headset having a healthy market share in Australia, UK, USA, it has laid the right path of consumer sales for your company in these respective markets. iB Cricket steam version would also be a strong tool in boosting Oculus Quest sales in a market like India. This version of iB Cricket would also allow players from all across to play with their friends while they bowl through a PC Console for the batsman in VR. Further versions of the game would expedite remote gameplay for the players connected over the internet.

The game was launched on Steam VR Platform for the global audience to purchase and pursue. With this your company will be able to run online VR Cricket tournaments and also add a new revenue stream. This duly increases the global brand awareness of iB Cricket.

#### **iB Cricket Retail Kit**

Going ahead in India, iB Cricket will also facilitate fans with the Retail version of the setup for people to play from their home. iB Cricket hotspots will further act as centres for tournaments and

challenges for people holding the top ranks in the hyper local challenges. Further, iB Cricket Retail Kits would bring more people to adapt to the culture of this nu-age vSport, thus, help more people to compete in the forum.

Your company continuously strives to make VR more accessible and affordable to the general consumers. With the recent breakthrough in the VR hardware by certain manufacturers, your company has the scope to introduce iB Cricket to the larger target audience. With the recent breakthrough in the VR hardware, iB Cricket team came up with an advanced version in which there is no need of PC, sensors, wires, pulleys, etc. This makes the setup and gameplay of iB Cricket more pleasant and easy.

Now we can take iB Cricket to every home where people can play cricket in world class stadiums right from their home. This breakthrough opens us business opportunities around the world in US, UK & Australia right now and many countries soon. Your company is planning to sell licenses and consumer sets worldwide in the coming months. Your company has also brought down the costs of licensing with the reduction of price in the hardware and this increases the probability of conversion because of the low upfront cost of the device is now very easy to use.

With the breakthrough technology, 1 Billion plus Cricket fans can now be immersed into the world of Cricket. Availability of the Hardware combined with the highly engaging tournaments and challenges will bring a revolution in the gaming industry. As we go ahead we are forecasting huge number of consumer sales especially in developed nations like US, UK, Australia & Dubai where we already have a good foothold. We are also planning to collaborate with oculus on various aspects to streamline the supply chain of headsets to various locations. We are also designing very lucrative business models with oculus where we can make margins on each headset we sell along with iB Cricket. We also have long term plans where we can collaborate with Oculus on various levels for English and other products we are going to release in the future. Our arcades at different locations could also act as distribution centers for the consumer sales we are going to do in the future.

This also accelerates the process of conducting global tournaments because of the VR penetration and affordability of technology. We are going to be pioneers in conducting tournaments in Virtual Reality Sports and mark the beginning of a new era of a true VR Sport.

### **iB Cricket T20 World Tour**

With a strong foothold in Australia, iB Cricket is set to take iB Cricket closer to a huge number of cricket fans all across the country. iB Cricket has already formed alliances with various brands in the domain who would also be keen on widening the vicinity/scope of iB Cricket during the period.

The company has partnered with the movie '83' — the biopic of legendary Indian cricketer Kapil Dev starring Bollywood actor Ranveer Singh. As a part of the film's promotion the lead actor Ranveer Singh will show his batting skills in iB Cricket and call upon his fans to play iB Cricket.

### **Community:**

With a vision to make India as global leaders in advanced technologies, the team built a very strong iB Community which is a select group of like-minded individuals from diverse backgrounds. They form a strong support system for the rapid growth and development of world-class products

from India. We are now very happy and proud to say that our community includes elite people from various backgrounds who can accelerate the progress of our company. We are very successful in building communities across the world not only in India. We are very happy to share that we have strong communities in the US, UK, Australia, Dubai and some other countries across the world. We are able to form new strategic partnerships and start a business in other countries because of the strong support from the community.

## 6. CONSTITUTION OF THE BOARD OF DIRECTORS:

### A. BOARD OF DIRECTORS:

As on 31<sup>st</sup> March, 2020, the Board comprises of the following Directors:

S. No	DIN	Name of the Director	Designation
1.	07795482	Trivikrama Reddy Kothinti	Managing Director & CEO
2.	07126477	Vasantha Sai Sama	Wholetime Director (Technical)
3.	07795458	Sriram G Teja	Wholetime Director (Technical)
4.	07985809	Spandana Rachamadugu	Wholetime Director (Marketing)
5.	07987202	Reshika Reddy Gattupally	Wholetime Director (Finance)
6	06382576	Hari Haran Gorijavola	Non-Executive Director
7	06717315	Jaya Kiran Reddy Ambavarapu	Independent Director
8	08591597	Venugopala Rao Kancherla	Independent Director

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

- Mr. Kancherla Venugopala Rao has been appointed as an Additional Director (Independent) Company by the Board of Directors w.e.f 29.11.2019 and later appointed as Independent Director of the Company w.e.f 31.12.2019. The necessary form has been filed with the Registrar of Companies.
- Mr. Srikanth Lingamneni ceased to be Additional Director (Independent) w.e.f 29.11.2019 due to resignation and the necessary form has been filed with the Registrar of Companies.
- Change in designation of Mr Sriram G Teja from Director to Wholetime Director (Technical) w.e.f 31.12.2019 and the necessary form has been filed with the Registrar of Companies.

- Change in designation of Mr Trivikrama Reddy Kothinti from Director to Managing Director & CEO of the Company w.e.f 31.12.2019 and the necessary form has been filed with the Registrar of Companies.
- Change in designation of Mr Vasantha Sai Sama from Director to Wholetime Director (Technical) w.e.f 31.12.2019 and the necessary form has been filed with the Registrar of Companies.
- Change in designation of Ms Reshika Reddy Gattupally from Director to Wholetime Director (Finance) w.e.f 31.12.2019 and the necessary form has been filed with the Registrar of Companies.
- Change in designation of Ms Spandana Rachamadugu from Director to Wholetime Director (Marketing) w.e.f 31.12.2019 and the necessary form has been filed with the Registrar of Companies.
- Re-appointment of Mr Jaya Kiran Reddy Ambavarapu (DIN: 06717315) as an Independent Director w.e.f 31.12.2019 and the necessary form has been filed with the Registrar of Companies.

## B. INDEPENDENT DIRECTORS:

Independent Directors of the Company as on 31.03.2020 are:

S. No	DIN	Name of the Director	Designation
7	06717315	Jaya Kiran Reddy Ambavarapu	Independent Director
8	08591597	Venugopala Rao Kancherla	Independent Director

The statutory role of the Independent Directors Committee is to review the performance of the non-Independent Directors, including the Chairman of the Company, 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, 20 one meeting of the Independent Directors Committee was held on 19th January, 2020.

During the financial year, owing to the resignation of Mr. Srikanth Lingamneni w.e.f 29.11.2019, the Board of Directors appointed Mr. Kancherla Venugopala Rao as an Additional Director (Independent) Company who was later appointed as Independent Director by the Members at the previous AGM held on 31.12.2019, and accordingly reconstituted the committees of Independent Directors of the Company.

## C. RETIREMENT BY ROTATION:

Sriram G Teja, Whole Time Director 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.

##### **Managing Director & Chief Executive Officer:**

Mr. Trivikrama Reddy Kothinti, has been appointed as the Managing Director & CEO of the Company for a period of four years with effective 31.12.2019 .

##### **Chief Financial Officer:**

Ms Navya Surapaneni, has been continuing as the Chief Financial Officer of the Company.

##### **Wholetime Director:**

Mr Vasantha Sai Sama, Mr Sriram G Teja, Ms Spandana Rachamadugu and Ms Reshika Reddy Gattupally have been appointed as the Wholetime Directors of the Company with effect from 31.12.2019.

##### **Whole-Time Company Secretary:**

The Board of Directors of the Company has appointed Ms. Nooper Mittal, as Whole Time Company Secretary of the Company w.e.f 08.05.2019. But due to some unavoidable circumstances Ms. Nooper Mittal, tendered her resignation on July 15, 2019. The Board at their meeting held on 24<sup>th</sup> day of July, 2019 accepted the same and relived her from the responsibilities w.e.f. 22<sup>nd</sup> July, 2019. The Board intimated to the Registrar of Companies regarding appointment and cessation of Company Secretary.

The Board of Directors has appointed Mr Prince Pandey as the Company Secretary w.e.f 08.05.2020.

#### **7. PARTICULARS OF MEETINGS OF THE BOARD AND ITS COMMITTEES CONDUCTED DURING THE YEAR UNDER REVIEW:**

- a. The Company has complied with the procedures relating to the Board 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 for their comments and are duly recorded in the concerned books.

**MEETINGS OF THE BOARD OF DIRECTORS:**

- (i) During Financial Year 2019-20, 20 (Twenty Only) Board Meetings were held.
- (ii) The Dates of the Board Meetings are:

No.	Date of Meeting of Board of Directors	Board Strength	No. of Directors present
1.	15.04.2019	8	4
2.	08.05.2019	8	5
3.	27.06.2019	8	4
4.	03.07.2019	8	4
5.	10.07.2019	8	4
6.	26.07.2019	8	3
7.	24.07.2019	8	4
8.	23.08.2019	8	4
9.	09.09.2019	8	5
10.	24.09.2019	8	5
11.	21.10.2019	8	6
12.	01.11.2019	8	6
13.	07.11.2019	8	6
14.	18.11.2019	8	3
15.	25.11.2019	8	4
16.	29.11.2019	7	7
17.	30.12.2019	8	8
18.	19.01.2020	8	6
19.	24.02.2020	8	4
20.	23.03.2020	8	4

- (iii) The details of Directors, their attendance at Board Meetings and the General Meetings of the Company are given below:

S. No.	Name of the Director	Category	Original Date of Appointment	Number of Board Meetings entitled to attend	Number of Board Meetings attended	Whether present at the AGM held on 31.12.201	Whether present at the EGM held on 31.05.201	Whether present at the EGM held on 09.11.201
						9	9	9

1.	Vasantha Sai Sama	Wholetime Director (Technical)	16/06/2017	20	17	Yes	Yes	Yes
2.	Sriram G Teja	Wholetime Director (Technical)	16/06/2017	20	14	Yes	Yes	Yes
3.	Trivikrama Reddy Kothinti	Managing Director & CEO	16/06/2017	20	13	Yes	Yes	Yes
4.	Spandana Rachamadugu	Wholetime Director (Marketing)	14/11/2017	20	10	No	No	No
5.	Reshika Reddy Gattupally	Wholetime Director (Finance)	14/11/2017	20	19	Yes	Yes	Yes
6.	Hari Haran Gorijavola	Non-Executive Director	25/11/2018	20	07	No	No	Yes
7.	Jaya Kiran Reddy Ambavarapu	Director (Independent)	25/11/2018	20	10	No	Yes	Yes
8.	Srikanth Lingamneni	Additional Director (Independent)	24/12/2018	15	00	NA	No	No
9.	Venugopala Rao Kancherla	Director (Independent)	29/11/2019	4	03	No	NA	NA

#### 8. **COMMITTEES OF THE BOARD AND THEIR MEETINGS:**

Currently, there are three Committees constituted by the Board. They are (a) the Audit Committee, (b) the Nomination & Remuneration Committee, (c) the Independent Directors Committee and d) Stakeholders Relationship Committee.

##### a) **MEETINGS OF AUDIT COMMITTEE:**

The Audit Committee presently comprises two Non-Executive Independent Directors and one Executive Director. The Chairman of the Committee is an Independent Director.

During the financial year ended 31st March, 2020, Two meetings of the Audit Committee were

held on 29th November, 2019 and 30th December, 2019 and the particulars of attendance of the said meetings are as follows:

S. No.	Name of the Director	Category	Designation	Number of Committee Meetings entitled to attend	Number of Committee Meetings attended
1.	Mr. Jaya Kiran Reddy Ambavarapu	Independent Director	Chairman	2	2
2.	Mr. Kancherla Venugopala Rao	Independent Director	Member	NA	NA
3.	Ms. Reshika Reddy Gattupally	Whole time Director (Finance)	Member	NA	NA

\*Note: The Audit Committee was re-constituted on 19<sup>th</sup> January, 2020. The above mentioned two meetings were attended by Mr Jaya Kiran Reddy Ambavarapu, Mr Hari Haran Gorijavola and Ms Spandana Rachamadugu.

b) **MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee presently comprises three Non-Executive Directors out of which two are Independent Directors. The Chairman of the Committee is an Independent Director.

During the financial year ended 31st March, 2020, one meeting of the Nomination and Remuneration Committee were held on 19th January 2020 and the particulars of attendance of the said meetings are as follows:

S. No.	Name of the Director	Category	Designation	Number of Committee Meetings entitled to attend	Number of committee Meetings attended
1.	Mr. Jaya Kiran Reddy Ambavarapu	Independent Director	Chairman	1	1
2.	Mr. Kancherla Venugopala Rao	Independent Director	Member	1	1
3.	Mr. Hari Haran Gorijavola	Non-Executive Director	Member	1	1

c) **MEETINGS OF INDEPENDENT DIRECTORS COMMITTEE:**

During the financial year ended 31st March, 2020, one meeting of the Independent Directors Committee was held on 19th January, 2020.

S. No.	Name of the Director	Designation	Number of Committee Meetings entitled to attend	Number of Committee Meetings attended
1.	Mr. Jaya Kiran Reddy Ambavarapu	Chairman	1	1
2.	Mr. Srikanth Lingamneni	Member	NA	NA
3.	Mr. Kancherla Venugopala Rao	Member	1	1

d) **MEETINGS OF STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the year under, Stakeholders Relationship Committee was constituted at the Board meeting held on 19.01.2020 comprising two Non-Executive Independent Directors and one Executive Director. The Chairman of the Committee is an Independent Director.

During the financial year ended 31st March, 2020, one meetings of the Stakeholders Relationship Committee was held on 19th January 2020 and the particulars of attendance of the said meetings are as follows:

S. No.	Name of the Director	Category	Designation	Number of Committee Meetings entitled to attend	Number of committee Meetings attended
1.	Mr. Jaya Kiran Reddy Ambavarapu	Independent Director	Chairman	1	1
2.	Mr. Kancherla Venugopala Rao	Independent Director	Member	1	1
3.	Ms. Reshika Reddy Gattupally	Whole time Director (Finance)	Member	1	1

9. **EXTRACT OF THE ANNUAL RETURN:**

As required under Clause (a) to Sub-section (3) of Section 134 of the Companies Act, 2013, the extract of Annual Return in form MGT-9 as provided under Sub-Section (3) of Section 92 of the

Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is enclosed as Annexure I.

**10. 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, 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 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 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.

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

The Auditors' Report is Self Explanatory and does not require any comments from the Board of Directors.

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

The Provisions of Section 178(1) relating to Constitution of Nomination and Remuneration Committee are applicable to the Company and hence the Company has devised a policy relating to appointment of Directors, Payment of Managerial Remuneration, Directors Qualifications, positive attributes, independency of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013.

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

Disclosure on details of loans, guarantees and investments during the year under review pursuant to the provisions of Section 186 of the Act are provided in the financial statements.

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

There were no related party transactions entered into by the company during the financial year, which attracted the provisions of Section 188(1) of the Companies Act, 2013 except the loans given to the subsidiary, Mayuukha Pte Ltd, Singapore. Related Party transactions have been disclosed in the financial statements.

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

**A) BRIEF DESCRIPTION OF THE COMPANY WORKING DURING THE YEAR AND PRESENT STATE OF COMPANY'S AFFAIRS:**

During the year under review the Company was engaged in the business of 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. The Board is optimistic about the Company earning profits in the coming years.

**B) CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There are no changes in the nature of business of the Company during the Financial Year 2019-20.

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

No specific reserve is considered necessary except the proposed transfer of the loss to the General Reserve as mentioned in the Financial Statement.

**17. 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.

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

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

**19. DEPOSITS:**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**20. INSURANCE:**

All the assets of the Company wherever necessary and to the extent required have been adequately insured.

**21. 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:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which this Financial Statements relate on the date of this Report.

**22. SUBSIDIARIES, JOIN VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any Joint Venture or Associate Companies but have 2 Subsidiary Companies namely M/s. Mayuukha Pte Ltd, Singapore and M/s. XR Technologies Private Limited, Gurgaon, Haryana, India. The particulars of the subsidiary have been given in the Form AOC-1 marked as Annexure II.

**23. 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, TECHNOLOGY ABSORPTION:**

**Conservation of energy:**

The Board has been constantly endeavoring towards conservation of power and other rare resources.

**Technology Absorption:**

The Company has access and implemented regarding conservation of energy and technology absorption wherever applicable. The Board has been constantly endeavoring for implementation of advanced technologies.

**B. 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:

<b>Particulars</b>	<b>F.Y 2019-20 Rs.(In Lakhs)</b>	<b>F.Y 2018-19 Rs. (In Lakhs)</b>
Foreign Exchange Earnings in (Rs.)	51.56	Nil
Foreign Exchange Outgo in (Rs.)	101.20	88.77

**24. DISCLOSURES:**

1. The Company has noted the related disclosures relating to the affairs of the company from time to time and also maintained the related Registers.
2. The Company has complied with all applicable Accounting Standards in preparation of its financial statements.

**25. 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:**

There are no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the Going Concern status and Company's operations in future.

**26. EMPLOYEE RELATIONS:**

Employee relations are cordial at all levels. The company has been in touch relating to recruitment of required personnel from time to time.

**27. AUDITORS:****(a) STATUTORY AUDITORS:**

At the Second Annual General Meeting held on 31.12.2019, **M/S N R G & CO, CHARTERED ACCOUNTANTS, HYDERABAD (FRN: 013417S)** were appointed as Statutory Auditors of the Company to hold office for 5 years till the conclusion of the Annual General Meeting to be held in the calendar year 2024.

As, ratification of appointment of Auditors at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by MCA. Accordingly, no resolution shall be proposed for ratification of appointment of Auditors.

In this regard, the Company has received a Certificate from the Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

**M/S N R G & CO, CHARTERED ACCOUNTANTS, HYDERABAD (FRN: 013417S)** are continuing as the Statutory Auditors for the financial year 2020-21.

**(b) Internal Auditors:**

The provisions of section 138 of Companies Act, 2013 read with Rule 13 of Company (Accounts) Rules, 2014 are applicable to the Company. Accordingly, the Company has appointed M/s. Nanduri & Associates, Chartered Accountants, Visakhapatnam, as Internal Auditors of the company for the Financial Year 2019-20.

As the Board is satisfied with the performance of these Auditors, the Board appointed them as Internal Auditors for the Financial Year 2020-21 also at their meeting held on 03.06.2020. These Auditors, report directly to the Chief Financial Officer of the Company.

**(c) SECRETARIAL AUDITORS:**

M/s. ASN Associates, Practicing Company Secretaries, Visakhapatnam has been appointed to conduct the Secretarial Audit of the Company for the Financial Year 2019-20, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the Financial Year 2019-20 forms part of the Annual Report to the Board's report.

**28. SHARE CAPITAL:**

**a. AUTHORISED SHARE CAPITAL:**

The Authorized Share Capital of the Company is ₹ 175,00,00,000/- (Rupees One Hundred and Seventy Five Crores Only) as on 31.03.2020.

**b. ISSUED AND PAID UP CAPITAL:**

The Issued and Paid-up Share Capital of the Company is ₹ 100,83,55,027/- (Rupees One Hundred Crores Eighty Three Lakhs Fifty Five Thousand Twenty Seven Only) as on 31.03.2020.

During the year under review, the paid-up capital has been increased from Rs. 95,97,55,027/- (Rupees Ninety Five Crores Ninety Seven Lakhs Fifty Five Thousand Twenty Seven Only) to ₹ 100,83,55,027/- (Rupees One Hundred Crores Eighty Three Lakhs Fifty Five Thousand Twenty Seven Only).

**c. ISSUE OF SHARES:**

During the year under review, the following shares were allotted:

S no	Date of Allotment	Type of Shares allotted	Number of shares allotted	Face value of each share	Total amount of shares allotted
1	03.07.2019	0.02% non-cumulative optionally convertible preference shares (NCOCPs)	15,00,000	₹10/	1,50,00,000
2	23.08.2019	0.02% non-cumulative optionally convertible preference shares (NCOCPs)	4,00,000	₹10/	40,00,000
3	18.11.2019	0.02% Non-Cumulative Redeemable Preference Shares ("NCRPS")	29,60,000	₹10/	2,96,00,000
Total amount allotted during the year			48,60,000		4,86,00,000

**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.

**29. 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-III and form 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 III.

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 at the Registered Office of the Company, up to the date of the ensuing Annual General meeting during the business hours on working days.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employee hold (by himself or along with his spouse and dependent children) more than two percent of the Equity Shares of the Company.

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

The Company has maintained adequate accounting records in accordance with the provisions of the Act, has appropriate accounting policies, maintained 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 of the Company.

**31. 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 does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal. However, all the risks are discussed in the Board meeting whenever required and care being taken accordingly.

**32. 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, 2020, the Company has not received any complaint pertaining to sexual harassment.

**33. 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 Company is not falling under the category to spend the amount under the Corporate Social Responsibility (CSR) under the Companies Act, 2013.

**34. VIGIL MECHANISM POLICY:**

Pursuant to the provisions of Sub-section (9) & (10) of Section 177 of the Companies Act, 2013, a Vigil Mechanism Policy for Directors and Employees to report genuine concerns has been established. During the current year the Company haven't received any complaint regarding the victimization of Employees and Directors.

**35. SECRETARIAL AUDIT REPORT:**

Your Board appointed M/s. ASN Associates, Practicing Company Secretaries, Visakhapatnam, to conduct secretarial audit of the Company for the financial year ended 31<sup>st</sup> March, 2020. The Report of M/s. ASN Associates is provided in the Annexure IV forming part of this Report, pursuant to Section 204 of the Act.

**36. CORPORATE AFFAIRS:**

The Company has been continuing the best practices of Corporate Governance for ensuring Protection of the rights and interests of its Stakeholders, Customers and Persons dealing with the Company with cautious approach towards in operations, rendering services efficiently and effectively to the Customers and complying with the various Statutory provisions and submitting the required information to the concerned authorities relating to the business affairs of the Company from time to time.

**37. MANAGEMENT DISCUSSIONS AND ANALYSIS:**

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

**38. ENVIRONMENTAL POLICY:**

Your Company has been continuing all its activities with requisite measures to protect the environment.

**39. FORMAL ANNUAL EVALUATION:**

The Company with the approval of its Nomination and Remuneration Committee, has put in place an evaluation framework for evaluation of the Board, Directors and Chairman. The Board also carries out an evaluation of the workings of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The evaluation of the above Committees is based on the assessment of the compliance with the terms of reference of the respective Committees. The evaluation of the Directors was based on their participation, contributions and guidance provided by them.

**40. ANNUAL GENERAL MEETING:**

The Third Annual General Meeting of the Company is scheduled to be held on Thursday , 31<sup>st</sup> day of December, 2020. The details of the Agenda and Resolutions to be passed were set out in the Notice given to Members.

**41. STATUTORY COMPLIANCE:**

The Management of the Company is taking utmost care in compliance with the applicable provisions of the Companies Act, 2013.

**42. ACKNOWLEDGEMENTS:**

Your Directors express their gratitude to all the shareholders of the Company for the confidence reposed in the management. They wish to place on record their appreciation of the whole-hearted assistance and Co-operation received by the Company from shareholders, customers, bankers, Financial Institutions, Government & Other Agencies, Local Bodies, other Corporate Bodies and the Public and look forward to their continued support. Your Directors also wish to place on record their appreciation for the excellent teamwork, dedication & sincere services rendered by all employees at all levels. Thanks to our professionals, advisors, well –wishers and persons dealing with the company.

By Order of the Board  
For ProYuga Advanced Technologies Limited

Sd/-  
(Trivikrama Reddy Kothinti)  
DIN: 07795482  
Managing Director

Place: Kurnool  
Date: 07th December 2020

Sd/-  
(Reshika Reddy Gattupally)  
DIN: 07987202  
Wholetime Director

## ANNEXURE I

**Form No. MGT-9**

### **EXTRACT OF ANNUAL RETURN**

**As on the Financial Year ended on 31<sup>st</sup> March, 2020**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### **I. REGISTRATION AND OTHER DETAILS:**

(i)	Corporate Identification Number (CIN):	<b>U74999MH2017PLC296222</b>
(ii)	Registration Date:	16/06/2017
(iii)	Name of the Company:	<b>PROYUGA ADVANCED TECHNOLOGIES LIMITED</b>
(iv)	Category of Company:	Company Limited by Shares
	Sub-category of Company:	Indian Non-Government Company
(v)	Registered office:	1609 Lodha Supremus Powai, Saki Vihar Road Oppo Mtnl Office, Powai, Mumbai-400072, Maharashtra, India
(vi)	Whether Listed Company:	No
(vii )	Name, Address and Contact details of Registrar and Transfer Agent:	N.A.

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to Total Turnover of the Company
1.	COMPUTER AND RELATED ACTIVITIES	72	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of Shares held	Applicable Section of Companies Act, 2013
1	Mayuukha Pte Ltd Address: 1 NORTH BRIDGE ROAD #19-08 HIGH STREET CENTRE Singapore 179094	201804623D-UEN(Company identification similar to CIN)	Subsidiary	87.42%	2(87)
2	XR TECHNOLOGIES LIMITED IRIS TECH PARK, 305-C,3rd FLOOR,, IRIS TECH TOWER, SOHNA ROAD, SECTOR 48,, GURUGRAM, Gurgaon, Haryana, India, 122018	U72900HR2019PLC079216	Subsidiary	99.76%	2(87)

### IV. SHARE HOLDING PATTERN

A. (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	4,01,43,027	28,21,525	4,29,64,552	94.73%	4,03,13,027	28,11,525	4,31,24,552	95.08%	0.35%

b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (1):-	4,01,43,027	28,21,525	4,29,64,552	94.73%	4,03,13,027	28,11,525	4,31,24,552	95.08%	0.35%
(2) Foreign									
a) NRIs-individuals	--	9,93,475	9,93,475	2.19%	--	9,93,475	9,93,475	2.19%	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-	--	--	--	--	--	--	--	--	--
<b>Total shareholding of Promoter (A(1) + A(2))</b>	4,01,43,027	38,15,000	4,39,58,027	96.92%	4,03,13,027	38,05,000	4,41,18,027	97.27%	0.35%
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1):-</b>	--	--	--	--	--	--	--	--	--

<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	10,000	1,65,000	1,75,000	0.39%	30,000	145,000	175,000	0.39%	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	10,62,000	1,60,000	12,22,000	2.69%	10,62,000	----	10,62,000	2.34%	--
<b>c) Others (specify)</b>	--	--	--	--	--	--	--	--	--
Non Resident Indians	--	--	--	--	--	--	--	--	--
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	--	--	--	--	--	--	--	--	--
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies - D R	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(2):-</b>	10,72,000	3,25,000	13,97,000	3.08%	10,92,000	1,45,000	12,37,000	2.73%	--
Total Public Shareholding (B)=(B)(1)+(B)(2)	10,72,000	3,25,000	13,97,000	3.08%	10,92,000	1,45,000	12,37,000	2.73%	--
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--								--
<b>Grand Total (A+B+C)</b>	<b>41215027</b>	<b>414000</b>	<b>4,53,55,027</b>	<b>100%</b>	<b>4,14,05,027</b>	<b>39,50,000</b>	<b>4,53,55,027</b>	<b>100%</b>	<b>--</b>

(ii) Shareholding of Promoter:

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1.	Kothinti Trivikrama Reddy	10,000	0.02%	-	10,000	0.02%	-	-
2.	Sama Vasantha Sai	36,32,500	8.01%	-	37,92,500	8.36%	-	0.35%
3.	Madamanchi Kavya	4,88,000	1.08%	-	4,88,000	1.08%	-	-
4.	Sama Vijaya Kumar Reddy	3,83,34,052	84.52%	-	3,83,34,052	84.52%	-	-
5.	Koteswaramma Ganta	5,00,000	1.10%	-	5,00,000	1.10%	-	-
6.	Venkata Sumana Kumarappa	9,93,475	2.19%	-	9,93,475	2.19%	-	-
	<b>Total</b>	<b>43,95,8027</b>	<b>96.92%</b>		<b>4,41,18,027</b>	<b>97.27%</b>	-	<b>0.35%</b>

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Kothinti Trivikrama Reddy	10,000	0.02%	10,000	0.02%
2.	Sama Vasantha Sai	36,32,500	8.01%	37,92,500	8.36%
3.	Madamanchi Kavya	4,88,000	1.08%	4,88,000	1.08%
4.	Sama Vijaya Kumar Reddy	3,83,34,052	84.52%	3,83,34,052	84.52%

5.	Koteswaramma Ganta	5,00,000	1.10%	5,00,000	1.10%
6.	Venkata Sumana Kumarappa	9,93,475	2.19%	9,93,475	2.19%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Change in shareholding is due to transfer of shares			
	At the end of the year				
1.	Kothinti Trivikrama Reddy	10,000	0.02%	10,000	0.02%
2.	Sama Vasantha Sai	37,92,500	8.36%	37,92,500	8.36%
3.	Madamanchi Kavya	4,88,000	1.08%	4,88,000	1.08%
4.	Sama Vijaya Kumar Reddy	3,83,34,052	84.52%	3,83,34,052	84.52%
5.	Koteswaramma Ganta	5,00,000	1.10%	5,00,000	1.10%
6.	Venkata Sumana Kumarappa	9,93,475	2.19%	9,93,475	2.19%

**(iv) Shareholding Pattern of top ten Shareholders:**

(other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Sarada Kaza	6,10,000	1.34%	6,10,000	1.34%
2.	Chinnaswamy Krishnasamy	3,40,000	0.75%	3,40,000	0.75%
3.	Surapaneni Vijaya Kumar	1,60,000	0.35%	1,60,000	0.35%
4.	Chiranjeevi Kondapaka	1,12,000	0.25%	1,12,000	0.25%
5.	Vineela Muthyala	25,000	0.06%	25,000	0.06%
6.	Vijaya lakshmi Alladi	25,000	0.06%	25,000	0.06%
7.	Bevara Venkata Manikya Nagesh	15,000	0.03%	15,000	0.03%
8.	Siva Rama Krishna Dommeti	10,000	0.02%	10,000	0.02%
9.	Vasantha Jyothi	10,000	0.02%	10,000	0.02%
10.	Reddy Malathi	10,000	0.02%	10,000	0.02%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Change in shareholding is due to transfer of shares			

	At the end of the year				
1.	Sarada Kaza	6,10,000	1.34%	6,10,000	1.34%
2.	Chinnaswamy Krishnasamy	3,40,000	0.75%	3,40,000	0.75%
3.	Chiranjeevi Kondapaka	1,12,000	0.25%	1,12,000	0.25%
4.	Vineela Muthyala	25,000	0.06%	25,000	0.06%
5.	Vijaya Laxmi Alladi	25,000	0.06%	25,000	0.06%
6.	Bevara Venkata Manikya Nagesh	15,000	0.03%	15,000	0.03%
7.	Siva Rama Krishna Dommeti	10,000	0.02%	10,000	0.02%
8.	Vasantha Jyothi	10,000	0.02%	10,000	0.02%
9.	Reddy Malathi	10,000	0.02%	10,000	0.02%
10.	Garlapati Venkata Sridhar	10,000	0.02%	10,000	0.02%

**(v) Shareholding of Directors and Key Managerial Personnel:**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Kothinti Trivikrama Reddy	10,000	0.02%	10,000	0.02%
2.	Sama Vasantha Sai	36,32,500	8.01%	37,92,500	8.36%
3.	Teja Sriram Gurusurthy	10,000	0.02%	10,000	0.02%
4.	Spandana Rachamadugu	-	-	-	-
5.	Reshika Reddy Gattupally	10,000	0.02%	10,000	0.02%
6.	Hari Haran Gorijavola	-	-	-	-
7.	Jaya Kiran Reddy Ambavarapu	-	-	-	-
8.	Srikanth Lingamneni	-	-	-	-
9.	Navya Surapaneni	10,000	0.02%	10,000	0.02%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Change in shareholding is due to transfer of shares			

At the end of the year					
1.	Kothinti Trivikrama Reddy	10,000	0.02%	10,000	0.02%
2.	Sama Vasantha Sai	37,92,500	8.36%	37,92,500	8.36%
3.	Teja Sriram Gurumurthy	10,000	0.02%	10,000	0.02%
4.	Spandana Rachamadugu	-	-	-	-
5.	Reshika Reddy Gattupally	10,000	0.02%	10,000	0.02%
6.	Hari Haran Gorijavola	-	-	-	-
7.	Jaya Kiran Reddy Ambavarapu	-	-	-	-
8.	Venugopala Rao Kancherla	-	-	-	-
9.	Navya Surapaneni	10,000	0.02%	10,000	0.02%

B. (Preference Share Capital Breakup as percentage of Total Preference)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2042401	--	2042401	2.23%	780651	--	780651	0.82%	(1.41%)
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (1):-	2042401	--	2042401	2.23%	780651	--	780651	0.82%	(1.41%)
<b>(2) Foreign</b>									
a) NRIs-individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--

c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-	--	--	--	--	--	--	--	--	--
<b>Total shareholding of Promoter (A(1) + A(2))</b>	2042401	--	2042401	2.23%	780651	--	780651	0.82%	(1.41%)
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1):-</b>	--	--	--	--	--	--	--	--	--
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	--	--	--	--	900000	--	900000	0.9%	0.9%
ii) Overseas	--	--	--	--	--	--	--	--	--

<b>b) Individual s</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	11550	--	11550	0.01%	46628828	--	46628828	48.42%	48.41%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	89386049	--	89386049	97.75 %	45579818	--	45579818	47.3%	(50.45%)
<b>c) Others (specify)</b>	--	--	--	--	--	--	--	--	--
Non Resident Indians	--	--	--	--	2410703	--	2410703	2.5%	2.5%
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	--	--	--	--	--	--	--	--	--
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies - D R	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(2):-</b>	8,93,97,599	--	8,93,97,599	97.77 %	95519349	--	95519349	99.18%	(1.41%)
Total Public Shareholding (B)=(B)(1)+(B)(2)	8,93,97,599	--	8,93,97,599	97.77 %	95519349	--	95519349	99.18%	(1.41%)-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--

Grand Total (A+B+C)	91440000	--	91440000	100%	96300000	--	96300000	100%	--
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(ii) Shareholding of Promoter:

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1.	Trivikrama Reddy kothinti	1,86,300	0.20%	-	1,86,300	0.20%	-	-
2.	Kavya Madhamanchi	16,06,101	1.76%	-	1,14,351	0.12%	-	1.64%
3	Sama Vasantha Sai	2,50,000	0.27%	-	4,80,000	0.50%	-	0.23%
	<b>Total</b>	20,42,401	2.23%	-	780651	0.82%		

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Kothinti Trivikrama Reddy	1,86,300	0.20%	1,86,300	0.20%
2.	kavya Madhamanchi	16,06,101	1.76%	1,14,351	0.12%
3.	Sama Vasantha Sai	2,50,000	0.27%	4,80,000	0.50%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>Change in shareholding is due to transfer of shares</b>			
	At the end of the year				
1.	Kothinti Trivikrama Reddy	1,86,300	0.20%	1,86,300	0.20%

2.	kavya Madhamanchi	1,14,351	0.12%	1,14,351	0.12%
3.	Sama Vasantha Sai	4,80,0000	0.50%	4,80,0000	0.50%

**(iv) Shareholding Pattern of top ten Shareholders:**

(other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Vuppalanchi Sheshasai	30,31,671	3.32%	2,506,171	2.60%
2.	Anesh Parvatha	20,08,700	2.20%	198700	0.20%
3.	Sreenivasa Rao Garimella	18,81,100	2.06%	11,76,600	1.22%
4.	Sriram Gurumurthy Vishnu	16,36,500	1.79%	9,96,250	1.03%
5.	Venkata Hareen Yara	16,31,420	1.78%	443,210	0.46%
6.	Venkata Krishna Rao Kankanala	13,92,000	1.52%	10,56,994	1.09%
7.	Javvaji Kiran	12,46,400	1.36%	675,775	0.70%
8.	Rayavarapu Madhu	12,31,100	1.35%	784,520	0.81%
9.	Nimmagadda Sriram	11,60,325	1.27%	1,70,234	0.18%
10.	Venkata Ramaraju Manthena	11,00,000	1.20%	11,00,000	1.14%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>Change in shareholding is due to transfer of shares</b>			
	At the end of the year				
1.	Vuppalanchi Sheshasai	2506171	2.6%	2506171	2.6%
2.	Narasimhappa Muttuluri	1665017	1.7%	1665017	1.7%
3.	Sreenivasa Rao Garimella	1176600	1.22%	1176600	1.22%
4.	Venkata Ramaraju Manthena	1100000	1.14%	1100000	1.14%
5.	Venkata Krishna Rao Kankanala	1056994	1.09%	1056994	1.09%
6.	Venkata Sridhar Garlapati	1000426	1.04%	1000426	1.04%
7.	Vishnu Gurumurthy Sriram	996250	1.03%	996250	1.03%
8.	Subrahmanyam Veerapaneni	830700	0.86%	830700	0.86%
9.	Rayavarapu Madhu	784520	0.81%	784520	0.81%
10.	Vijaya Kumar Surapaneni	741844	0.77%	741844	0.77%

**(v) Shareholding of Directors and Key Managerial Personnel:**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Kothinti Trivikrama Reddy	1,86,300	0.20%	1,86,300	0.20%
2.	Sama Sai Vasantha	2,50,000	0.27%	4,80,000	0.5%
3.	Teja Sriram Gurumurthy	3,000	0.00%	992650	1.03%
4.	Spandana Rachamadugu	5,64,475	0.62%	337050	0.35%
5.	Reshika Reddy Gattupally	73,050	0.08%	70750	0.07%
6.	Hari Haran Gorijavola	4,21,950	0.46%	352860	0.37%
7.	Jaya Kiran Reddy Ambavarapu	2,65,000	0.29%	41500	0.04%
8.	Srikanth Lingamneni	-	-	-	-
9.	Navya surapaneni	2,61,500	0.29%	161500	0.17%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				
1.	Kothinti Trivikrama Reddy	1,86,300	0.20%	1,86,300	0.20%
2.	Sama Sai Vasantha	4,80,000	0.5%	4,80,000	0.5%
3.	Teja Sriram Gurumurthy	1,86,300	0.20%	1,86,300	0.20%
4.	Spandana Rachamadugu	4,80,000	0.5%	4,80,000	0.5%
5.	Reshika Reddy Gattupally	992650	1.03%	992650	1.03%
6.	Hari Haran Gorijavola	337050	0.35%	337050	0.35%
7.	Jaya Kiran Reddy Ambavarapu	70750	0.07%	70750	0.07%
8.	Venugopala Rao Kancharla	448650	0.47%	448650	0.47%
9.	Navya surapaneni	41500	0.04%	41500	0.04%
		-	-		
		161500	0.17%		

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,63,23,714	--	--	1,63,23,714
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>1,63,23,714</b>	<b>--</b>	<b>--</b>	<b>1,63,23,714</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	1,89,02,850	--	--	1,89,02,850
* Reduction	--	--	--	--
<b>Net Change</b>	<b>1,89,02,850</b>	<b>--</b>	<b>--</b>	<b>1,89,02,850</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,52,26,564	--	--	3,52,26,564
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>3,52,26,564</b>	<b>--</b>	<b>--</b>	<b>3,52,26,564</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. Remuneration to Managing Director, Whole-time Directors/Executive Directors and/or Manager:

S. No.	Particulars of Remuneration	Name of MD/WTD/Executive Director/ Manager					Total Amount
		Sama Vasantha Sai	Kothinti Trivikrama Reddy	Sriram G Teja	Spandana Rachamadugu	G Reshika Reddy	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1800000	900000	600000	578400	600000	4478400
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--	--	--
	(c) Profits in lieu of salary under section 17(3)	--	--	--	--	--	--

	Income- tax Act, 1961						
2	Stock Option	--	--	--	--	--	--
3	Sweat Equity	--	--	--	--	--	--
4	Commission - as % of profit - others, specify	--	--	--	--	--	--
5	Others, please specify	--	--	--	--	--	--
	Total (A)	1800000	900000	600000	578400	600000	4478400
	Ceiling as per the Act	Rs. 1,20,00,000/-					

**B. Remuneration to other Directors:**

S. No.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	-N.A-	
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors	--	--
	Fee for attending board committee meetings	--	--
	Commission	--	--
	Others, please specify	--	--
	Total (2)	--	--
	Total (B)=(1+2)	--	--
	Total Managerial Remuneration	--	
	Overall Ceiling as per the Act	-N.A-	-N.A-

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:**

S. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	54,645	6,00,000	6,54,645
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total	--	54,645	6,00,000	6,54,645

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					

Punishment	NIL
Compounding	

For ProYuga Advanced Technologies Limited

Sd/-  
(Trivikrama Reddy Kothinti)  
DIN: 07795482  
Managing Director

Sd/-  
(Reshika Reddy Gattupally)  
DIN: 07987202  
Wholetime Director

Place: Kurnool  
Date: 07.12.2020

**Annexure-II**

**Form AOC-1**

(Pursuant to first proviso to Sub-section (3) of Section 129 read with Rule 5 of  
Companies (Accounts) Rules, 2014)

**Statement containing salient features of the Financial Statement of  
Subsidiaries/Associate Companies/Joint Ventures**

**Part "A": Subsidiaries**

(Information in respect of each Subsidiary to be presented with amounts in ₹.)

<b>S No</b>	<b>Particulars</b>	
1.	Name of the Subsidiary	Mayuukha Pte Ltd
2.	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiaries.	USD
4.	Share Capital	34363717
5.	Reserves & Surplus	-117067877
6.	Total assets	221389275
7.	Total Liabilities	221389275
8.	Investments (in Subsidiary Company)	5082985
9.	Turnover	72212
10.	Profit/(Loss) before taxation	-31121445
11.	Provision for taxation	-
12.	Profit/(Loss) after taxation	-31121445
13.	Proposed Dividend	-
14.	% of Shareholding	87.42%

\*The standalone Financials are prepared in USD. However, for the purpose of the presentations the value of assets and liabilities are converted into INR at rate of Rs 75.1021 which is prevailing as on 31st March, 2020 and Turnover and Profit/(Loss) for the year is converted at an average rate for the year FY 19-20 amounting to Rs 72.212

S No	Particulars	
15.	Name of the Subsidiary	XR Technologies Limited
16.	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	NA
17.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiaries.	INR
18.	Share Capital	25,00,000
19.	Reserves & Surplus	(1,043,630)
20.	Total assets	2,369,805
21.	Total Liabilities	2,369,805
22.	Investments (in Subsidiary Company)	
23.	Turnover	-
24.	Profit/(Loss) before taxation	(1,045,552)
25.	Provision for taxation (Deferred Tax Liability)/(Asset)	(1922)
26.	Profit/(Loss) after taxation	(1,043,630)
27.	Proposed Dividend	-
28.	% of Shareholding	99.76%

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of Subsidiaries which are yet to commence operations-None.
2. Names of Subsidiaries which have been liquidated or sold during the year- None.

**Part "B": Associates and Joint Ventures**  
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to**  
**Associate Companies and Joint Ventures**

Sl. No.	Name of Associates/Joint Ventures	--
1.	Latest audited Balance Sheet Date	
2.	<b>Shares of Associate/Joint Ventures held by the Company on the year end</b>	
	No.	--
	Amount of Investment in Associates/Joint Venture	--
	Extend of Holding %	--
3.	<b>Description of how there is significant influence</b>	--
4.	<b>Reason why the Associate/ Joint Venture is not consolidated</b>	--
5.	<b>Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	--
6.	<b>Profit / Loss for the year</b>	
	i. Considered in Consolidation	--
	i. Not Considered in Consolidation	--

1. Names of Associates or Joint Ventures which are yet to commence operations:  
None.
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year- None.

By Order of the Board  
For ProYuga Advanced Technologies Limited

Sd/-  
(Trivikrama Reddy Kothinti)  
DIN: 07795482  
Managing Director

Sd/-  
(Reshika Reddy Gattupally)  
DIN: 07987202  
Wholetime Director

Place: Kurnool

Date: 07th December 2020

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2020

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

To,  
The Members,  
**ProYuga Advanced Technologies Limited**  
Registered Office:  
1609 Lodha Supremus Powai, Saki Vihar Road,  
Oppo Mtnl Office, Powai, Mumbai-400072,  
Maharashtra, India

We have conducted the Secretarial Audit of the Compliance of applicable Statutory Provisions and the adherence to Good Corporate Practices by **M/s. PROYUGA ADVANCED TECHNOLOGIES LIMITED (CIN: U74999MH2017PLC296222)** (here-in-after called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2020, the Company has complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent as mentioned, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by “M/s ProYuga Advanced Technologies Limited” for the Financial Year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the Company;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- (iv) Other laws applicable to the Company as per the representations made by the Management.

We are of the opinion that the Management has complied with the following Laws wherever applicable to the Company:

- (a) The Companies Act, 2013 and the Rules made thereunder;
- (b) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- (c) Shops & Establishments Act (Bombay Shops & Establishments Act, 1948);
- (d) The Payment of Wages Act, 1936;
- (e) The Minimum Wages Act, 1948;
- (f) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (g) The Payment of Bonus Act, 1965;
- (h) The Payment of Gratuity Act, 1972;
- (i) The Employees’ Compensation Act, 1923;
- (j) The Employees’ State Insurance Act, 1948
- (k) Equal Remuneration Act, 1976;
- (l) Industrial Employment (Standing Orders) Act, 1946;
- (m) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
- (n) The Information Technology Act, 2000 and the Rules made thereunder;
- (o) The Maternity Benefit Act, 1961

- (p) The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. The position of Company Secretary was vacant for eight months during the year under review due to resignation of the Company Secretary of the Company.

**We further report that:**

1. The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors. Changes in the composition of the Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Act.
2. Adequate notices were given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent, and a system exists for seeking and obtaining further information and clarifications on the Agenda Items before the meeting and for meaningful participation at the meeting.
3. All the decisions of the Board and Committees thereof were carried through with requisite majority
4. Adequate systems and processes are in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for Compliances under other applicable Acts, Laws and Regulations to the Company.

**For ASN Associates  
Company Secretaries**

Sd/-

**(Surendra Kuchipudi)**

**M. No.: ACS 34205**

**C P No.:12732**

**UDIN: A034205B001426706**

**Place: Visakhapatnam**

**Date: 07.12.2020**

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

## ANNEXURE A

To,  
The Members,  
**ProYuga Advanced Technologies Limited**  
Registered office:  
1609 Lodha Supremus Powai, Saki Vihar Road,  
Oppo Mtnl Office, Powai, Mumbai-400072,  
Maharashtra, India

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

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed for this purpose provided a reasonable basis for our opinion.
3. The Compliance by the Company of applicable financial law like Direct and Indirect Tax Laws and maintaining of financial Records and Books of Accounts have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and other designated Professionals.
4. Wherever required, we have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For ASN Associates  
Company Secretaries**

Sd/-

**(Surendra Kuchipudi)**

**M. No.: ACS 34205**

**C P No.:12732**

**UDIN: A034205B001426706**

**Place: Visakhapatnam**

**Date: 07.12.2020**

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
M/s. ProYuga Advanced Technologies Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **M/s ProYuga Advanced Technologies Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss, and the statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and Loss, and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Emphasis of matter

We draw your attention to **Note 2.25** to the financial statements, which describe the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. As mentioned in the note, necessary adjustment were made by the management to the financial statements consequent to the impact of the outbreak of Covid-19, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

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

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

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

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

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 standalone financial statements**

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

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of Internal Financial Controls over Financial Reporting of the company and the operating effectiveness of such controls, refer to our separate report in **“Annexure- B”**, and
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 our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
4. With respect to the matter to be included in the Auditors’ Report under Section 197(16) of the Act:
  - i. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For N R G & Co.,**  
Chartered Accountants  
Firm Registration No: 013417S

**CA. P. Ramakrishna**  
Partner  
Membership No. 512328

Place: Hyderabad  
Date: 05.12.2020  
UDIN- 20512328AAAADZ8343

**Annexure - A to the Independent Auditors' Report**

**As referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date**

- (i)
  - a) As per information and explanation provided to us and based on our examination of the records of the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) As per information provided before us, the fixed assets were physically verified by the management at reasonable intervals and no material discrepancies were noticed.
  - c) According to the information and explanations given to us and based on the basis of our examination of records of the company, the title deeds of immovable properties are held in the name of the company. However, we express no opinion on the validity of title of the company to these properties.
- (ii) As per information provided to us and to the best of our knowledge and belief, the physical verification of inventory has been conducted by the management at reasonable intervals. No material discrepancies have been noticed on physical verification of inventories as compared to book records.
- (iii) According to the information and explanations given to us, the Company has granted to Loan to body corporate, covered in the register maintained under Section 189 of the Act, 2013 in respect of which :
  - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
  - (c) There is no overdue amount remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable..

- (v) According to the information and explanations given to us, during the financial year, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Act. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues of income tax, Goods and Service tax, sales tax, service tax, duty of customs, Cess and other statutory dues as applicable to it. There are no material outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these become payable.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no dues of income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax as applicable which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks or debenture holders.
- (ix) According to records of the company, the company has not raised any moneys by way of Initial Public Offer or Further Public Offer. The company has obtained term loan under Loan Against Properties from ICICI Bank Limited.
- (x) According to the information and explanations given to us and to the best of our knowledge and belief, no fraud by or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered transactions, during the period, with the related parties as per the provisions of section 177 and 188 of the Act, and where applicable and

details have been disclosed in the Standalone financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares and requirement of section 42 of the companies act have been complied.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For N R G & Co.,**  
Chartered Accountants  
Firm Registration No: 013417S

**CA. P. Ramakrishna**  
Partner  
Membership No. 512328

Place: Hyderabad  
Date: 05.12.2020  
UDIN- 20512328AAAADZ8343

## **Annexure - B to the Independent Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of M/s. **ProYuga Advanced Technologies Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 N R G & Co.,

Chartered Accountants

Firm Registration No: 013417S

### CA. P. Ramakrishna

Partner

Membership No. 512328

Place: Hyderabad

Date: 05.12.2020

UDIN- 20512328AAAADZ8343

ProYuga Advanced Technologies Limited

1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072

Standalone Balance Sheet as at 31st March, 2020

(Amount in INR)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholder's funds:</b>			
(a)	Share Capital	1	1,008,355,027	959,755,027
(b)	Reserves and surplus	2	(343,307,224)	(205,410,956)
(c)	Money received against share warrants		-	-
<b>2</b>	<b>Share application money pending for allotment</b>		-	-
<b>3</b>	<b>Non - current liabilities:</b>			
(a)	Long - term borrowings	3	35,226,564	16,323,714
(b)	Deferred tax liabilities (Net)		8,136,221	6,364,004
(c)	Other Long - term liabilities	4	405,000	60,000
(d)	Long - term provisions	5	2,071,481	-
<b>4</b>	<b>Current liabilities</b>			
(a)	Short - term borrowings			
(b)	Trade payables	6	6,098,668	3,710,128
(c)	Other current liabilities	7	160,622,734	21,435,894
(d)	Short - term provisions	8	202,500	202,500
	<b>Total</b>		<b>877,810,971</b>	<b>802,440,310</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non - current assets:</b>			
(a)	Fixed assets			
(i)	Tangible assets	9	219,420,908	87,370,406
(ii)	Intangible assets	10	109,252,749	134,734,032
(iii)	Capital work-in-progress	11	33,050	2,191,449
(iv)	Intangible assets under development			
(b)	Non - current investments	12	30,267,566	27,773,566
(c)	Deferred tax assets (Net)		-	-
(d)	Long-term loans and advances	13	353,038,930	95,910,360
(e)	Other non-current assets	14	3,806,328	4,308,068
<b>2</b>	<b>Current assets:</b>			
(a)	Current investments			
(b)	Inventories	15	17,141,356	8,649,119
(d)	Trade receivables	16	4,759,768	265,251
(e)	Cash and cash equivalents	17	3,577,646	370,056,451
(f)	Short-term loans and advances	18	71,235,340	19,602,298
(g)	Other current assets	19	65,277,330	51,579,310
	<b>Total</b>		<b>877,810,971</b>	<b>802,440,310</b>

The notes are an integral part of these Stand Alone Financial Statements.

As per our attached report of even date

**For N R G & Co**

Chartered Accountants

(Firm Reg. No. 0134175)

Sd/-

CA P Rama Krishna

Partner

Membership No. 512328

Place: Kurnool

Date: 05.12.2020

UDIN- 20512328AAAADZ8343

**For on Behalf of the Board of Directors**

**ProYuga Advanced Technologies Limited**

Sd/-

Trivikrama Reddy Kothinti

Managing Director & CEO

DIN: 07795482

Sd/-

Reshika Reddy Gattupally

Whole Time Director

DIN:07987202

Sd/-

Navya Surapaneni

CFO

Sd/-

Prince Pandey

Company Secretary

Membership No: A59040

**ProYuga Advanced Technologies Limited**

1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072

**Standalone Statement of Profit and loss for the year ended 31st March, 2020**

(Amount in INR)

Particulars		Note No.	For the Year ended March 31, 2020	For the Year ended March 31, 2019
I.	Revenue From Operations	20	31,419,626	14,715,997
II.	Other income	21	9,586,983	5,555,072
III.	<b>Total Revenue (I + II)</b>		<b>41,006,609</b>	<b>20,271,069</b>
	<b>Expenses</b>			
a	Cost of Goods Sold		5,829,925	-
b	Employee benefits expense	22	44,302,766	29,321,277
c	Finance costs	23	2,478,183	1,163,485
d	Depreciation and amortization expense	9,10	39,257,751	6,894,027
e	Other Expense	24	85,262,035	167,323,154
IV	<b>Total expenses (a+b+c+d+e)</b>		<b>177,130,660</b>	<b>204,701,943</b>
V.	<b>Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)</b>		<b>(136,124,051)</b>	<b>(184,430,874)</b>
VI.	Exceptional items		-	-
VII	<b>Profit/(Loss) before extraordinary items and tax (V - VI)</b>		<b>(136,124,051)</b>	<b>(184,430,874)</b>
VIII	Extraordinary Items			
	(i) Prior period Item		-	-
IX	<b>Profit/(Loss) before tax (VII- VIII)</b>		<b>(136,124,051)</b>	<b>(184,430,874)</b>
X	<b>Tax expense:</b>			
	(1) Current tax		-	-
	(2) Deferred tax		(1,772,217)	(5,693,591)
	(3) Fringe benefit tax		-	-
	(4) MAT Credit entitlememnt		-	-
XI	<b>Profit/(Loss) for the period from continuing operations (IX-X)</b>		<b>(137,896,268)</b>	<b>(190,124,465)</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
	<b>Profit/(Loss) for the period (XI + XIV)</b>		<b>(137,896,268)</b>	<b>(190,124,465)</b>
XVI	<b>Earnings Per Share</b>			
	a) Basic		(3.04)	(4.19)
	b) Diuted		(3.04)	(4.19)

The notes are an integral part of these Stand Alone Financial Statements.

As per our attached report of even date

**For N R G & Co**

Chartered Accountants

(Firm Reg. No. 013417S)

**For on Behalf of the Board of Directors**

ProYuga Advanced Technologies Limited

Sd/-

Trivikrama Reddy Kothinti  
Managing Director & CEO  
DIN: 07795482

Sd/-

Reshika Reddy Gattupally  
Whole Time Director  
DIN:07987202

Sd/-

CA P Rama Krishna  
Partner  
Membership No. 512328

Place: Kurnool

Date: 05.12.2020

UDIN- 20512328AAAADZ8343

Sd/-

Navya Surapaneni  
CFO

Sd/-

Prince Pandey  
Company Secretary  
Membership No: A59040

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Standalone Statement of Cash Flow For the Year Ended March 31, 2020**

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A. Cash Flow from Operating Activities</b>		
Profit before Tax	(136,124,051)	(184,430,874)
Adjustments for:		
Depreciation	39,106,682	6,894,027
Financial Charges	2,462,766	875,661
Other Income	(9,586,983)	(5,555,072)
<b>Operating profit before working capital changes</b>	<b>(104,141,583)</b>	<b>(182,216,258)</b>
<b>Changes in working capital:</b>		
(Increase)/ Decrease in Receivables	(4,494,517)	6,591,356
(Increase)/ Decrease in Short term loans & advances	(51,633,042)	(19,016,879)
(Increase)/ Decrease in Other current assets & Inventory	(22,190,257)	(56,789,916)
Increase / (Decrease) in Trade payables	2,388,540	652,689
Increase / (Decrease) in Current Liabilities	139,531,840	19,766,282
Increase / (Decrease) in Long term Provisions	<b>2,071,481</b>	-
<b>Cash generated from operations</b>	<b>(38,467,538)</b>	<b>(231,012,726)</b>
Income tax paid	-	-
<b>Net cash generated from/(used in) operating activities</b>	<b>(38,467,538)</b>	<b>(231,012,727)</b>
<b>B. Cash Flow from Investing Activities:</b>		
(Increase) / Decrease in Fixed Assets	(143,517,503)	(188,652,678)
(Increase) / Decrease in Non current Assets	(259,120,830)	(115,958,120)
Other Income	9,586,983	5,555,072
<b>Net cash generated from/(used in) investing activities</b>	<b>(393,051,350)</b>	<b>(299,055,727)</b>
<b>C. Cash Flow from Financing Activity</b>		
Increase / (decrease) in Unsecured Loans	18,902,850	16,323,714
Increase in share Capital	48,600,000	846,270,000
Interest paid	(2,462,766)	(875,661)
<b>Net cash generated from/(used in) financing activities</b>	<b>65,040,084</b>	<b>861,718,053</b>
<b>D. Net Increase/( Decrease) in Cash and Cash Equivalents</b>	<b>(366,478,804)</b>	<b>331,649,599</b>
Cash and Cash Equivalents at the beginning of the year	370,056,451	38,406,852
<b>Cash and Cash Equivalents at the end of the year</b>	<b>3,577,646</b>	<b>370,056,451</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	241,140	95,793
Amount maintained in wallet	574,507	456,184
Bank balances		
- in current accounts	2,173,962	218,150,768
- in deposit accounts	588,037	151,353,706
<b>Total</b>	<b>3,577,646</b>	<b>370,056,451</b>

See accompanying notes forming part of financial statements  
In terms of our report attached

**For N R G & Co.,**  
Chartered Accountants  
Firm Regd. No. 013417S

**For on Behalf of the Board of Directors**  
**ProYuga Advanced Technologies Limited**

Sd/-  
**Trivikrama Reddy Kothinti**  
Managing Director & CEO  
DIN: 07795482

Sd/-  
**Reshika Reddy Gattupally**  
Whole Time Director  
DIN:07987202

Sd/-  
**CA P Rama Krishna**  
Partner  
Membership No. 512328  
Place: Kurnool  
Date: 05.12.2020  
UDIN- 20512328AAAADZ8343

Sd/-  
**Navya Surapaneni**  
CFO

Sd/-  
**Prince Pandey**  
Company Secretary  
Membership No: A59040

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

**Note 1. Share Capital**

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Rs.	No. of Shares	Rs.
<b>a) Authorised :</b>				
Equity Shares of Rs.1/- each	100,000,000	100,000,000	100,000,000	100,000,000
<b>Preference Shares of different Classes</b>				
Preference Shares of Rs 1/- each	20,000,000	20,000,000	20,000,000	20,000,000
Preference Shares of Rs 10/- each	158000000	1,580,000,000	8000000	80,000,000
Preference Shares of Rs 100/- each	500000	50,000,000	500000	50,000,000
	<b>278,500,000</b>	<b>1,750,000,000</b>	<b>128,500,000</b>	<b>250,000,000</b>
<b>b) Issued, Subscribed and Fully Paid up :</b>				
Fully Paid up capital Equity Shares of Rs.1/- Each	45,355,027	45355027	45,355,027	45,355,027
Fully Paid up Preference Shares Capital of Rs 10/- Each				
0.2% Non Cumulative Optionally Convertible Preference Shares	6,500,000	65,000,000	6500000	65,000,000
0.02% Non Cumulative Redeemable Preference Shares	3,273,000	32,730,000	313000	3,130,000
0.02% Non-Cumulative Optionally Convertible Preference Shares	86,527,000	865270000	84627000	846270000
<b>Total</b>	<b>141,655,027</b>	<b>1,008,355,027</b>	<b>136,795,027</b>	<b>959,755,027</b>

**1. Rights, preferences and restrictions attached to equity shares**

The company has only one class of Equity shares having a par value of Rs.1/- each. Each holder of Equity share is entitled to one vote per share on poll and have one vote on show of hands. In the event of liquidation, the equity, share holders are eligible to receive the remaining assets of the company in proportion to their shareholding after distribution of payments to preferential creditors.

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

**2. Details of share holders holding more than 5% of total number of shares**

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Sama Vijaya Kumar Reddy	38,334,052	84.52%	38,334,052	84.52%
Sama Vasantha Sai	3,792,500	8.36%	3,632,500	8.01%

**3. Reconciliation of number of Equity shares:**

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	45,355,027	45,355,027	-	-
Add: Shares Issued during the year	-	-	45,355,027	45,355,027
	45,355,027	45,355,027	45,355,027	45,355,027
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>45,355,027</b>	<b>45,355,027</b>	<b>45,355,027</b>	<b>45,355,027</b>

**4. The company has not issued any bonus shares during the last five financial years.**

**5. None of the shares were allotted in pursuant to contract without payment being received in cash.**

ProYuga Advanced Technologies Limited

1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072

NOTES FORMING PART OF FINANCIAL STATEMENTS

1 GENERAL INFORMATION:

ProYuga Advanced Technologies Limited incorporated on 16th June, 2017. The main vision of the Company is to make India a global leader in advanced technologies. To realize its vision, the company is developing transformative products in Virtual, Augmented and Mixed Reality. The company is giving assistance to game developers in developing AR/VR/MR content in their games. It also extends support to organisations across domains to use this technology to enhance their products or services, for capacity building, to improve the productivity of their employees, to give immersive demos, for visualizing data, rapid prototyping and testing, and much more.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financials statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, other relevant provisions of the Act and other pronouncements of the Institute of Chartered Accountants of India.

The accounting policies have been consistently applied by the company and are consistent with those used in the previous year. The financials statements are presented in Indian rupees rounded off to the nearest rupee.

The assets and liabilities of the Company have been classified as current or non-current based on the estimation of whether it is expected to be realized/ settled within 12 months after the reporting date.

2.2 USE OF ESTIMATE

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.3 PREPARATION OF CONSOLIDATION

- i. The Consolidated Financial Statements ('CFS') of the Group have been prepared based on a line-by-line consolidation of the balance sheet as at March 31, 2020 and statement of profit and loss and cash flows of the Group for the year ended March 31, 2020.
- ii. The financial statements of the Subsidiaries considered for the purpose of consolidation are drawn for the same reporting period as that of the Company i.e. year ended March 31, 2020.
- iii. The CFS have been prepared using uniform accounting policies, except as stated otherwise, for similar transactions and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- iv. All material inter-company transactions and balances between the entities included in the CFS have been eliminated on consolidation.
- v. Any excess / shortage of cost to the Company of its investment in the subsidiaries over its proportionate share in the equity of such subsidiaries as at the date of the investment are recognized as goodwill / capital reserve in the CFS.
- vi. Minority interests have been excluded. Minority interests represent that part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company.

2.4 TANGIBLE ASSET

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment, if any. Costs comprises the purchase price and borrowing cost if the capitalisation criteria is met and directly attributable to bringing the said asset into the use as intended by the management and includes freight, duties taxes and other incidental expenses related to acquisition. Subsequent expenditure related to an item of Property Plant and equipment is added to its book value only if recognition criteria is met. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts are charged to Statement of Profit and loss for the period during which such expense is incurred. The Company depreciates Property, Plant and Equipment over their estimated useful lives using Straight Line Method. The estimated life of the assets considered as per the Companies Act, 2013 is

**Estimated Useful life 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

NOTES FORMING PART OF FINANCIAL STATEMENTS

**2.5 INTANGIBLE ASSETS**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

**Computer software, Domain Names**

Costs incurred towards purchase of computer software are depreciated using the straight-line method over a period based on the license period of the software or based on the management's estimate of useful lives of such software which is 5 years from the date of capitalisation of asset

**Design**

Cost incurred toward purchase of the design relating to arrangement of electronic components in the Customised electronic bat are depreciated using the straight-line method over a period based on management's estimate of useful lives of such design which is 5 years. The Rights that are acquired by the Company is for life time.

The Company has also applied for patents with respect to the design that the Company has procured.

**2.6 BORROWING COSTS:**

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

**2.7 IMPAIRMENT OF ASSETS:**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

The carrying amount of goodwill arising on consolidation is reviewed for impairment in accordance with the requirements of Accounting Standard 28 "Impairment of Assets" and impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

**2.8 INVENTORIES:**

Inventories are stated at lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The method of determination of cost of various categories of inventory are as follows:

- a) Raw Materials and Stores and Spares - at Cost.
- b) Finished goods at lower of Cost or Market value.
- c) Consumables at lower of Cost or Market value

**2.9 FOREIGN CURRENCY TRANSLATIONS:**

**Initial Recognition:**

On initial recognition, all foreign currency transactions are recorded by converting the foreign currency amount with the exchange rate prevailing as on the date of the transaction

**Subsequent Recognition:**

All the foreign current assets and liabilities are restated with the closing date exchange rate 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.

Realised Foreign Gain/Loss earned during the year under consideration is recognised in the statement of Profit & Loss Account

**2.10 REVENUE RECOGNITION:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before the revenue is recognized.

Revenue recognition of services depends as the service is performed. This is further divided into two ways:

(a) Proportionate Completion Method: This method of accounting recognizes revenue in the statement of profit & loss proportionately with the degree of completion of each service.

Here the service completion consists of the execution of more than one act. Revenue is recognized with the completion of each such act.

**Interest**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount**

**2.11 based on the respective employee's salary and the tenure of employment.**

NOTES FORMING PART OF FINANCIAL STATEMENTS

**2.12 CURRENT AND DEFERRED TAX:**

Tax expense comprises current and deferred income taxes. Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for tax purposes.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

**2.13 LEASES:**

**Operating Leases:**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

**Finance Leases:**

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance Lease. Such assets are capitalised at fair value of the asset or the present value of minimum lease payments at the inception of the lease which ever is lower.

Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liability is included in other short/long-term borrowings. The finance charge is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

**2.14 SEGMENT REPORTING:**

The Segment reporting is not applicable for the Company for the FY 19-20

**2.15 EARNING PER SHARE:**

The earnings considered in ascertaining the Group's earnings per share comprise the net profit or loss after tax attributable to equity share holders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares, if any, which would have been issued on the conversion of all dilutive potential equity shares.

**2.16 PROVISIONS**

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**2.17 CONTINGENT LIABILITIES**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

**2.18 CASH AND CASH EQUIVALENT**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less

**2.19 CASH FLOW STATEMENT:**

The Cash flow statement is prepared in Indirect Method and the same is attached to the Financial Statements.

**2.20 CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:**

There is no such Events during the year.

**2.21 PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES:**

There is no such Items and changes during the year.

**2.22 ACCOUNTING FOR GOVERNMENT GRANTS:**

The company has not received any grant from the Government.

**2.23 RELATED PARTY DISCLOSURES:**

The disclosures for the transactions with related parties are made as per the standards in the notes to accounts of the financial statements.

**2.24 CONSOLIDATED FINANCIAL STATEMENTS:**

The Company have Singapore Subsidiary named Mayuukha Pte Ltd. The Company was incorporated on 5th February, 2018. The Consolidated financial statements are prepared considering the Accounting principles stated in AS-11 and AS-21

**2.25 COVID-19 IMPACT NOTE**

The spread of 'COVID-19' across the globe and in India has contributed to a significant decline and volatility in global and Indian markets and a contraction in the economic activities. On March 11, 2020, COVID-19 outbreak was declared as a global pandemic by the World Health Organization (WHO). The Indian Government announced a strict 21 day lockdown on March 24, 2020, which is being extended from time to time with or without relaxations across the country based on the severity of the spread at local levels. The extent to which the COVID-19 pandemic will impact the operations and financial results of the Company and consequently the estimates and judgments made, could vary on future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company, which are uncertain as at the date of approval of these financial statements. The company continues to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period. However, considering the overall condition of the economy and the interventions of the Government to ensure revival of economic activity, the company does not consider that there is any uncertainty regarding the assumption of Going Concern.

ProYuga Advanced Technologies Limited

1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072

Notes Forming Part of Financial Statements

**Note:2. Reserve and surplus**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Security Premium	-	-
(ii)	General reserve		
(ii)	Surplus / (Deficit) in Statement of Profit and Loss		
	Balance at the beginning of the year	(205,410,956)	(15,286,491)
	Add: Profit / (Loss) for the year	(137,896,268)	(190,124,465)
	Balance at the end of the year	<b>(343,307,224)</b>	<b>(205,410,956)</b>
<b>Total</b>		<b>(343,307,224)</b>	<b>(205,410,956)</b>

**Note:3 Long Term Borrowings**

Particulars		As at March 31, 2020	As at March 31, 2019
<b>Term loans From Banks- Secured</b>			
(i)	Commercial Loans- (Note:1)	34,486,325	15,213,112
(ii)	Vehicle Loans- (Note:2)	740,239	1,110,602
<b>Total</b>		<b>35,226,564</b>	<b>16,323,714</b>

**Note:**

1. The Company had taken the Commercial Loan by keeping the following Office Premises as Security for the Loan

a. Office Premises Located in Mumbai with address 1609, Lodha Supremus, SakiVihar Road, Opp. MTNL office, Powai, Mumbai-400072

b. Office Premises located in Hyderabad with address Plot No 30, Brigade Towers, East Wing, Ground Floor, Nanankramguda, Financial District, Gachibowli, Hyderabad-500032

2. The Company had taken the Vehicle loans by keeping following Vehicles as Security for the Loans

a. The Company has purchased 2 Alto's & 2 Omni's for the office purpose and the same are kept as security for taking the loans

**Note: 4 Other Long Term Liabilities**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Security Deposits	405,000	60,000
<b>Total</b>		<b>405,000</b>	<b>60,000</b>

**Note: 5 Long term provisions**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Provision for employee benefits:		
	a. Gratuity	1,445,043	-
	b. Leave Encashment	626,438	-
<b>Total</b>		<b>2,071,481</b>	<b>-</b>

**Note :6 Trade Payables**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Trade Payable Expense*	5,014,905	3,215,293
(ii)	Trade Payable Capital Purchases	1,083,763	494,834
<b>Total</b>		<b>6,098,668</b>	<b>3,710,128</b>

\*Note: For the information relating to the amount payable to MSME Vendors payable out of the above payable mentioned, refer to Note 31

**ProYuga Advanced Technologies Limited**

1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072

**Notes Forming Part of Financial Statements**

**Note: 7 Other Current Liabilities**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Employee Benefit Expenses	2,380,594	2,547
(ii)	Professional Charges Payable	12,150	-
(iii)	<b>Statutory Dues Payable</b>		
	(a)PF Payable	185,680	193,798
	(b)Professional Tax Payable	12,850	25,400
	(c)TDS Payable	323,618	14,679,159
	(d)GST Payable	66,868	502,214
(iv)	Others- Expenses	-	2,110
(v)	Advances Received from Customer	157,640,974	6,030,666
<b>Total</b>		<b>160,622,734</b>	<b>21,435,894</b>

**Note 8 Short term provisions**

Particulars		As at March 31, 2020	As at March 31, 2019
(a)	Provision for Audit Fees	202,500	202,500
<b>Total</b>		<b>202,500</b>	<b>202,500</b>

**Note:12 Non current Investments**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Investments (At cost): Investment in Subsidiary Company Mayuukha Pte Ltd, Singapore (Note-1)	27,773,566	27,773,566
(ii)	Investment in Subsidiary Company XR Technologies Limited (Note-2)	2,494,000	-
<b>Total</b>		<b>30,267,566</b>	<b>27,773,566</b>

**Notes**

- 1 The Company had invested in 400001 Equity Shares of Mayuukha Pte Ltd at a Face Value of 1USD per Share
- 2 The Company had invested in 249400 Equity Shares of XR Technologies Limited at a Face Value of Rs 10 per Share

**Note :13 Long Term Loans and Advances**

Particulars		As at March 31, 2020	As at March 31, 2019
<b>Unsecured Loans and Advances Considered Good</b>			
(i)	Security deposits	2,477,736	5,420,802
(ii)	Loan given to Subsidiary Company- Mayuukha Pte Ltd, Singapore	290,075,100	89,922,690
(iii)	Advances for Capital Assets	60,486,094	566,868
<b>Total</b>		<b>353,038,930</b>	<b>95,910,360</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

(Amount in INR)											
S.No	Particulars	Gross Block (At cost)				Depreciation/Amortisation				Net block	
		As at April 1, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	Up to April 1, 2019	Addition for the year	Deletion for the year	Up to March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>9</b>	<b>Tangible assets</b>										
	(i) Desktops & Laptops etc.	13,551,338	15,546,432	161	29,097,609	2,941,711	8,489,528	-	11,431,239	17,666,370	10,609,627
	(ii) Servers	501,440	58,453	-	559,893	104,105	65,655	-	169,760	390,133	397,335
	(iii) Office Equipment	5,095,513	3,416,139	206,825	8,304,827	380,969	1,418,708	23,552	1,776,125	6,528,702	4,714,544
	(iv) Furniture and Fixtures	3,913,086	1,548,518	286,034	5,175,570	100,553	553,948	30,384	624,117	4,551,453	3,812,533
	(v) Buildings	60,889,991	187,000	-	61,076,991	685,267	967,202	-	1,652,470	59,424,521	60,204,724
	(vi) Land	-	123,225,576	-	123,225,576	-	-	-	-	123,225,576	-
	(vii) Electrical Installations	2,509,473	658,509	192	3,167,790	61,527	351,136	-	412,663	2,755,127	2,447,946
	(viii) Lease Hold Improvements	4,406,469	1,023,630	42,789	5,387,310	377,902	1,178,829	35,489	1,521,242	3,866,068	4,028,567
	(ix) Vehicle	1,193,974	-	-	1,193,974	38,844	142,172	-	181,016	1,012,958	1,155,130
		<b>92,061,284</b>	<b>145,664,257</b>	<b>536,001</b>	<b>237,189,540</b>	<b>4,690,878</b>	<b>13,167,178</b>	<b>89,425</b>	<b>17,768,632</b>	<b>219,420,908</b>	<b>87,370,406</b>
<b>10</b>	<b>Intangible assets</b>										
	(i) Intangible Assets	136,498,554	-	64,875	136,433,679	3,176,848	26,047,255	61,631	29,162,472	107,271,207	133,321,706
	(ii) Moulds	1,412,750	510,400	32,500	1,890,650	424	18,578	13	18,988	1,871,662	1,412,327
	(iii) Stencils	-	134,620	-	134,620	-	24,740	-	24,740	109,880	-
		<b>137,911,304</b>	<b>645,020</b>	<b>97,375</b>	<b>138,458,949</b>	<b>3,177,272</b>	<b>26,090,573</b>	<b>61,644</b>	<b>29,206,200</b>	<b>109,252,749</b>	<b>134,734,033</b>
<b>11</b>	<b>(i) Capital WIP related to Tangibles</b>										
		2,191,449	203,585	2,361,984	33,050	-	-	-	-	33,050	2,191,450
		2,191,449	203,585	2,361,984	33,050	-	-	-	-	33,050	2,191,450
	<b>Total tangible assets</b>	<b>94,252,733</b>	<b>145,867,842</b>	<b>2,897,985</b>	<b>237,222,590</b>	<b>4,690,878</b>	<b>13,167,178</b>	<b>89,425</b>	<b>17,768,632</b>	<b>219,453,958</b>	<b>89,561,856</b>
	Other Intangible assets										
	<b>Total intangible assets</b>	<b>137,911,304</b>	<b>645,020</b>	<b>97,375</b>	<b>138,458,949</b>	<b>3,177,272</b>	<b>26,090,573</b>	<b>61,644</b>	<b>29,206,200</b>	<b>109,252,749</b>	<b>134,734,033</b>
	<b>Total</b>	<b>232,164,037</b>	<b>146,512,862</b>	<b>2,995,360</b>	<b>375,681,539</b>	<b>7,868,150</b>	<b>39,257,751</b>	<b>151,069</b>	<b>46,974,832</b>	<b>328,706,707</b>	<b>224,295,889</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

**Note:14 Other Non Current Assets**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Preliminary Expenditure	1,505,220	2,006,960
	Less Written Off	501,740	501,740
	Preliminary Expenditure Carried Forward	1,003,480	1,505,220
(ii)	Interest Accured but not Due	2,802,848	2,802,848
<b>Total</b>		<b>3,806,328</b>	<b>4,308,068</b>

**Note: 15 Inventory**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Raw materials	2,635,642	1,043,087
(ii)	Work-in-progress	11,466	1,572,663
(iii)	Finished goods (other than those acquired for trading)	321,398	-
(iv)	Stock-in-trade (acquired for trading)	14,172,850	6,033,369
<b>Total</b>		<b>17,141,356</b>	<b>8,649,119</b>

**Note:16 Trade Receivables**

Particulars		As at March 31, 2020	As at March 31, 2019
<b>Trade receivables</b>			
Secured considered good		-	-
Unsecured considered good			
a. Receivable from more than 6 Months		3,020,277	-
a. Receivable from less than or Equal to 6 Months		1,739,491	265,251
Less: Provision for doubtful trade receivables		-	-
<b>Total</b>		<b>4,759,768</b>	<b>265,251</b>

**Note:17 Cash and cash equivalents**

Particulars		As at March 31, 2020	As at March 31, 2019
(a) Balances with banks		2,173,962	218,150,768
(b) Cash on hand		241,140	95,793
(c) Balance in Wallets, Other Cards		574,507	456,184
(d) In Deposit Accounts		588,037	151,353,706
<b>Total</b>		<b>3,577,646</b>	<b>370,056,451</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

**Note:18 Short term loans and advances**

Particulars		As at March 31, 2020	As at March 31, 2019
<b>Unsecured Loans and Advances Considered Good</b>			
(i)	<b>Loans and Advances to Related Parties</b>		
	(a) Inter Company Loans	63,155,678	-
(ii)	<b>Loans and Advances to Others</b>		
	(a) Advance paid to Suppliers	718,256	19,243,504
	(b) Salary Advance	16,664	17,826
	(c) Prepaid Expenses	3,768,310	340,968
	(d) Security Deposits	3,426,432	-
	(e) Other Short term loans and advances	150,000	-
<b>Total</b>		<b>71,235,340</b>	<b>19,602,298</b>

**Note:19 Other Current assets**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Advance Tax	-	206,000
(ii)	<b>TDS Receivable</b>		
	(a) TDS Receivable FY 19-20	2,027,678	
	(b) TDS Receivable FY 18-19	252,509	252,509
	(c) TDS Receivable FY 17-18	-	212246
(iii)	GST Receivable	60,423,726	48357252
(iv)	Others Receivables	1,289,087	1571957
(v)	Interest Accured But not Due	-	427,601
(vi)	Other Current Assets	1,284,330	551,744
<b>Total</b>		<b>65,277,330</b>	<b>51,579,310</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**

**Notes Forming Part of Financial Statements**

<b>Note:20 Revenue From Operations (Amount in INR)</b>		
Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Sale of services	9,364,833	14,715,997
Sale of Goods	16,898,307	-
Export services	5,156,486	-
<b>Total</b>	<b>31,419,626</b>	<b>14,715,997</b>
<b>Note:21 Other Income</b>		
Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Interest Income	4,262,318	5,544,437
Rent & Maintenance Received	611,016	-
Interest on Income Tax Refund	35,544	-
Other non-operating income	4,678,105	10,635
<b>Total</b>	<b>9,586,983</b>	<b>5,555,072</b>
<b>Note:22 Employee Benefits Expense</b>		
Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(a) Salaries and incentives Other than Directors	34,119,613	23,475,139
(b) Directors Remuneration	4,478,400	2,678,400
<b>(b) Contributions to -</b>		
(i) provident fund & Other funds	1,299,516	767,028
(ii) Gratuity Expense	1,445,043	-
(b) Staff welfare expenses	2,333,756	2,400,710
(c) Leave Encashment	626,438	-
<b>Total</b>	<b>44,302,766</b>	<b>29,321,277</b>
<b>Note:23 Finance Cost</b>		
Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(a) Interest expense	2,462,766	875,661
(b) Interest on TDS	15,417	287,824
<b>Total</b>	<b>2,478,183</b>	<b>1,163,485</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**

**Notes Forming Part of Financial Statements**

<b>Note:24 Other Expenses</b>		<b>(Amount in INR)</b>	
<b>Particulars</b>		<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
1	Bank and Other Charges	908,254	406,202
2	Repairs & Maintenance		
	(i) Repiars & Maintenane Building	3,269,874	2,252,656
	(ii) Repiars & Maintenane Others	441,645	812,558
3	Rent	15,318,101	10,966,751
4	Rates & Taxes	666,182	14,872,562
5	Travelling Expenses	7,320,170	9,111,509
6	Power and Fuel Charges	1,772,421	1,467,423
7	Marketing Expenses	9,599,388	5,595,021
8	Printing & Stationery	106,849	218,859
9	Professional Charges	32,841,537	107,929,960
10	Research and Developoment Expenses	550,110	964,528
11	Subscription	5,934,706	3,644,682
12	Telephone and Communication	1,111,454	1,238,428
13	Stipends	430,902	783,874
14	Audit Fees	225,000	225,000
15	Misc. Expense	191,141	215,084
16	Foreign Exchange Loss	94,439	4,664,250
17	Preliminary Expenses Written Off	501,740	501,740
18	Withholding Taxes written off	46,440	494,617
19	Assets Written off & Impairment of Asset	258,537	-
20	Loss of Inventory	666,091	-
21	Commissions	3,007,055	957,451
	<b>Total</b>	<b>85,262,035</b>	<b>167,323,154</b>
<b>Note-25</b>			
		<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
<b>Sl.No</b>	<b>Contingent Liabilities</b>		
1	Unexpired Letter of Credit	Nil	Nil
2	Unexpired Bank Guarantees	Nil	Nil
<b>Note-26</b>			
		<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
<b>Sl.No</b>	<b>Statutory Auditors Remuneration</b>		
1	Statutory Audit fee	150000	150000
2	Tax Audt fees	50000	50,000
3	Other Certifications	25000	25,000
	<b>Total</b>	<b>225000</b>	<b>225000</b>
<b>Note-27</b>			
		<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
<b>Sl.No</b>	<b>Tax Expense</b>		
1	Current Tax	-	-
2	Deferred Tax	1,772,217	5,693,591
		<b>1772217</b>	<b>5693591</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note-28: Related Party Disclosures - As indentified by the management and relied upon by the auditors:**

**(A) Associates:**

Cyber Eye Research Labs & Security Solutions Private Limited - Common Share Holder  
iBuild Innovations India Limited- Common Shareholder  
Social Infra Developers Private Limited - Common Share holder

**(B) Subsidiaries**

XR Technologies Limited  
Mayuukha Pte Limited

**(B) List of Related Parties and description of relationship**

(i) Key Management Personnel (KMP)	Trivikrama Reddy Kothinti Vasantha Sai Sama Teja G Sriram Reshika Reddy Gattupally Spandana Rachamadugu Hari Haran Gorijavola Amabavarapu Jaya Kiran Reddy Kancherla Venu Gopala Rao Navya Surapaneni	Managing Director, CEO & Shareholder WholeTime Director & Shareholder Whole Time Director & Shareholder Whole Time Director & Shareholder WholeTime Director Non Executive Director Independent Director Independent Director Chief Financial Officer
(ii) Controlling Share holder	Sama Vijaya Kumar Reddy	

In accordance with Accounting Standard 18, the disclosure required are given below:

Transactions	(Amount in INR)			
	As at March 31, 2020		As at March 31, 2019	
	Associates & Subsidiaries	KMP & Shareholder or Shareholder	Associates & Subsidiaries	KMP & Shareholder or Shareholder
- Services Rendered	668971		9896	
- Services Taken	61700851		224939830	
- Remuneration	-	5078400		5078400
- Share Capital issued	-	-		2,68,10,000
<b>iBuild Innovations India Limited:</b>				
¹-Amount Receivable/(payable)	-2,596,642	-	18843597	
¹- Loan Receivable/(payable)	58,400,153	-	-	-
<b>CyberEye Research Labs &amp; Security Solutions Private Limited</b>				
¹-Amount Receivable/(payable)	92,503	-	32934	-
¹- Loan Receivable/(payable)	4,755,525	-	-	-
<b>Social Infra Developers Private Limited</b>				
¹-Amount Receivable/(payable)	146,548	-	4948	-
<b>Vasantha Sai Sama</b>				
¹-Amount Receivable/(payable)	-	-385635	-	-265360
¹-Remuneration payable	-	-120612	-	-
<b>Trivikrama Reddy Kothinti</b>				
¹-Amount Receivable/(payable)	-	-162303	-	-15319.63
¹-Remuneration payable	-	-67893	-	-
<b>Reshika Reddy Gattupally</b>				
¹-Amount Receivable/(payable)	-	-317914	-	-198534.3
¹-Remuneration payable	-	-48094	-	-
<b>Navya Surapaneni</b>				
¹-Amount Receivable/(payable)	-	-22177	-	-59823
¹-Remuneration payable	-	-32890	-	-
<b>Sama Vijaya Kumar Reddy</b>				
¹-Amount Receivable/(payable)	-	290000	-	288500
<b>Spandana Rachamadugu</b>				
¹-Amount Receivable/(payable)	-	-	-	-1444.15
¹-Remuneration payable	-	-31200	-	-
<b>Teja G Sriram</b>				
¹-Amount Receivable/(payable)	-	-91175	-	-4842.8
¹-Remuneration payable	-	-47890	-	-
<b>XR Technologies Limited</b>				
¹-Amount Receivable/(payable)	542826	-	542826	-
¹-Investment	2,494,000	-	-	-
<b>Mayuukha Pte Ltd</b>				
¹- Loan Receivable/(payable)	290,075,100	-	89,922,690	-
¹-Investment	27,773,566	-	27,773,566	-

**Note:**

All Directors have been considered as Key Management Personnel as they are involved in planning, directing and controlling the activities of the reporting enterprise.

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note-29: Foreign Exchange Transactions**

Particulars	As at	
	March 31,2020	March 31,2019
Earnings	5156486	0
Expenditure and Assets	10120602	8877202

**Note-30: Earning Per share:**

Net Profit after tax for the year has been used as the numerator and number of shares has been used as denominator for calculating the basis and diluted earning per share.

	As at	
	March 31,2020	March 31,2019
<b>Basic and Diluted</b>		
Face Value per Share	1	1
Net Profit / (Loss) After Tax	(137,896,268)	(190,124,465)
Wighted Average No of Shares	45355027	45,355,027
Basic & Diluted Earning Per Share	-3.04	-4.19

(Amount in INR)

**Note: 31 Micro, Small and Medium Enterprises Development Act, 2006**

	As at	
	March 31,2020	March 31,2019
The principal amount remaining unpaid as at the end of the year	3190598	5054
The amount of interest accrued and remaining unpaid at the end of the year	0	0
Amount of Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of payments made beyond the appointed date during the year	0	0
Amount of interest due and payable for the period of delay in making payments without the interest specified under the Micro, Small and Medium Enterprise Development Act, 2006	0	0
Amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of dis allowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	0	0

Note-32 Figures are rounded off to the nearest rupee.

For N R G & Co.,  
Chartered Accountants  
Firm Regd. No. 013417S

For on Behalf of the Board of Directors  
ProYuga Advanced Technologies Limited

Sd/-  
CA P Rama Krishna  
Partner  
Membership No. 512328

Sd/- Trivikrama Reddy Kothinti Managing Director & CEO DIN: 07795482	Sd/- Reshika Reddy Gattupally Whole Time Director DIN:07987202
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Sd/- Navya Surapaneni CFO	Sd/- Prince Pandey Company Secretary Membership No: A59040
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Place: Kurnool  
Date: 05.12.2020

UDIN- 20512328AAAADZ8343

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
M/s. ProYuga Advanced Technologies Limited

Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **M/s. ProYuga Technologies Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates which comprising of the consolidated Balance sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of financial statements given by management of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates as at March 31, 2020, and its consolidated loss and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### Emphasis of matter

We draw your attention to **Note 2.25** to the consolidated financial statements, which describe the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group. As mentioned in the note, necessary adjustment were made by the management to the consolidated financial statements consequent to the impact of the outbreak of Covid-19, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Governments) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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 Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with rules, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is also responsible for overseeing the financial reporting process of the Group and of its associates.

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

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

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

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

the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

### **Other Matters**

- a) The subsidiaries are located outside India and whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and the Company's management has converted the financial statements of the subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the financial information certified by the management and the conversion adjustments prepared by the management of the Company and audited by us.
- b) We did not audit the financial statements/ financial information of subsidiaries located outside India, whose financial statements / financial information reflect total assets of Rs. 21,03,54,093/- as at March 31, 2020, total revenues/income of Rs.34,14,453/- as considered in the consolidated financial statements. These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements/ financial information.
- c) We did not audit the financial statements/ financial information of Indian subsidiary whose financial statements/ financial information reflect total assets of Rs. 23,69,805/-as at March 31, 2020, total revenues of Rs. Nil, and expenditure of Rs. 10,45,552/- and net cash flows amounting to Rs.18,05,671/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/(loss) of Rs. (10,41,125)/- for the year ended March 31, 2020, as considered in the consolidated financial statements, whose financial statements/ financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the

consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements / financial information certified by the Management of the Holding company.

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

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of the other auditors/certified by the management
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under section 133 of the Act read Rules, as amended
  - (e) On the basis of the written representations from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, which are incorporated in India, none of the directors of the Holding company and its subsidiary company, which are incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of Internal Financial Controls over Financial Reporting of the Holding company and its subsidiary company, which are incorporated in India and operating effectiveness of such controls, refer to our separate report in **Annexure A** to this report.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There were no pending litigations which would impact the consolidated financial position of the Group, its associates.

- ii. The Holding company and its subsidiary company, which are incorporated in India, did not have any material foreseeable losses on long-term contracts including derivative contracts;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, which are incorporated in India.

**For N R G & Co.,**  
Chartered Accountants  
Firm Registration No: 013417S

**CA. P Ramakrishna**  
Partner  
Membership No. 512328

Place: Hyderabad  
Date: 05.12.2020  
UDIN: 20512328AAAAEA5234

## **Annexure – A to the Independent Auditors’ Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of M/s. **ProYuga Advanced Technologies Limited** (“the Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the holding company’s internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 holding company and its subsidiary companies, which are companies incorporated in India 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, 2020, based on the internal control over financial reporting criteria established by the holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matter**

Our report under section 143 (3) (i) of the act on the adequacy and operative effectiveness of the internal financial controls over financial reporting of the holding company and its subsidiary companies, which are companies incorporated in India. We have not expressed any opinion on internal financial controls over financial reporting of subsidiaries located outside India.

### **For N R G & Co.,**

Chartered Accountants

Firm Registration No: 013417S

### **CA. P Ramakrishna**

Partner

Membership No. 512328

Place: Hyderabad



Date: 05.12.2020

UDIN: 20512328AAAAEA5234



**ProYuga Advanced Technologies Limited**  
1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072

**Consolidated Balance Sheet as at 31st March, 2020**

(Amount in INR)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholder's funds:</b>			
(a)	Share Capital	1	1,008,355,027	959,755,027
(b)	Reserves and surplus	2	(463,189,505)	(286,263,282)
(c)	Money received against share warrants			
<b>2</b>	<b>Share application money pending for allotment</b>		-	-
<b>3</b>	<b>Minority Interest</b>		3,495	-
<b>4</b>	<b>Non - current liabilities:</b>			
(a)	Long - term borrowings	3	35,226,564	16,940,067
(b)	Deferred tax liabilities (Net)		8,136,221	6,364,004
(c)	Other Long - term liabilities	4	405,000	60,000
(d)	Long - term provisions	5	2,078,874	-
<b>5</b>	<b>Current liabilities</b>			
(a)	Short - term borrowings	6	69,319	-
(b)	Trade payables	7	14,296,741	14,202,697
(c)	Other current liabilities	8	161,040,783	22,320,847
(d)	Short - term provisions	9	405,323	202,500
	<b>Total</b>		<b>766,827,843</b>	<b>733,581,860</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non - current assets:</b>			
(a)	Fixed assets			
(i)	Tangible assets	10	220,188,241	88,439,334
(ii)	Intangible assets	11	109,252,749	134,734,032
(iii)	Capital work-in-progress	12	33,050	2,191,449
(iv)	Goodwill		21,718	21,718
(b)	Non - current investments	13	-	3,185,009
(c)	Deferred tax assets (Net)		1,922	-
(d)	Long-term loans and advances	14	63,083,830	6,017,670
(e)	Other non-current assets	15	1,437,741	1,505,220
<b>2</b>	<b>Current assets:</b>			
(a)	Current investments			
(b)	Inventories	16	17,141,356	8,649,119
(d)	Trade receivables	17	5,029,527	5,909,375
(e)	Cash and cash equivalents	18	34,123,526	410,863,447
(f)	Short-term loans and advances	19	249,719,628	20,394,197
(g)	Other current assets	20	66,794,555	51,671,290
	<b>Total</b>		<b>766,827,843</b>	<b>733,581,860</b>

The notes are an integral part of these Consolidated Financial Statements.

As per our attached report of even date

**For N R G & Co**

Chartered Accountants  
(Firm Reg. No. 013417S)

Sd/-  
CA P Rama Krishna  
Partner  
Membership No. 512328

**For on Behalf of the Board of Directors**  
**ProYuga Advanced Technologies Limited**

Sd/-  
Trivikrama Reddy Kothinti  
Managing Director & CEO  
DIN: 07795482

Sd/-  
Reshika Reddy Gattupally  
Whole Time Director  
DIN:07987202

Sd/-  
Navya Surapaneni  
CFO

Sd/-  
Prince Pandey  
Company Secretary  
Membership No: A59040

Place: Kurnool  
Date: 05.12.2020  
UDIN: 20512328AAAAEA5234

**ProYuga Advanced Technologies Limited**

1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072

**Consolidated Statement of Profit and loss for the year ended 31st March, 2020**

		(Amount in INR)	
Particulars	Note No.	For the Year ended March 31, 2020	For the Year ended March 31, 2019
I. Revenue From Operations	21	32,900,930	14,715,997
II. Other income	22	14,098,320	2,247,993
<b>III. Total Revenue (I + II)</b>		<b>46,999,250</b>	<b>16,963,990</b>
a Cost of Goods Sold		5,829,925	
b Employee benefits expense	23	44,543,159	30,647,453
c Finance costs	24	2,529,817	1,163,485
d Depreciation and amortization expense	10,11	40,296,017	7,456,078
e Other Expense	25	128,956,260	242,980,174
<b>IV Total expenses (a+b+c+d+e)</b>		<b>222,155,178</b>	<b>282,247,190</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>(175,155,928)</b>	<b>(265,283,200)</b>
VI. Exceptional items		-	-
<b>VII Profit before extraordinary items and tax (V - VI)</b>		<b>(175,155,928)</b>	<b>(265,283,200)</b>
VIII Extraordinary Items			
(i) Prior period Item		-	-
<b>IX Profit before tax (VII- VIII)</b>		<b>(175,155,928)</b>	<b>(265,283,200)</b>
X Tax expense:			
(1) Current tax			
(2) Deferred tax		1,770,295	5,693,591
(3) Fringe benefit tax			
(4) MAT Credit entilememnt			
<b>XI Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>(176,926,223)</b>	<b>(270,976,791)</b>
<b>XII Profit/(loss) from discontinuing operations</b>		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
<b>Profit/ (Loss) for the period (XI + XIV)</b>		<b>(176,926,223)</b>	<b>(270,976,791)</b>
<b>XV Profit/(Loss) attributable to</b>			
Owners of the Company		(176,926,223)	(270,976,791)
Minority Interest		-	-
<b>Earnings Per Share</b>			
a) Basic		<b>(3.90)</b>	<b>(5.97)</b>
b) Diuted		<b>(3.90)</b>	<b>(5.97)</b>

The notes are an integral part of these Consolidated Financial Statements.

As per our attached report of even date

**For N R G & Co**

Chartered Accountants  
(Firm Reg. No. 013417S)

Sd/-  
**CA P Rama Krishna**  
Partner

Place: Kurnool  
Date: 05.12.2020  
UDIN: 20512328AAAAEA5234

**For on Behalf of the Board of Directors**  
**ProYuga Advanced Technologies Limited**

Sd/-  
**Trivikrama Reddy**  
Kothinti  
Managing Director &  
Sd/-  
**Reshika Reddy Gattupally**  
Whole Time Director  
DIN:07987202

Sd/-  
**Navya Surapaneni**  
CFO  
Sd/-  
**Prince Pandey**  
Company Secretary  
Membership No: A59040

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**

**Consolidated Statement of Cash Flow For the Year Ended March 31, 2020**

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A. Cash Flow from Operating Activities</b>		
Profit before Tax	(175,155,928)	(265,283,200)
Adjustments for:		
Depreciation	40,296,017	7,456,078
Financial Charges	2,462,766	1,163,485
Impairment of Assets	3,174,564	2,395,943
Other Income	(14,098,320)	(2,247,993)
<b>Operating profit before working capital changes</b>	<b>(143,320,902)</b>	<b>(256,515,687)</b>
<b>Changes in working capital:</b>		
(Increase)/ Decrease in Receivables	879,848	947,232
(Increase)/ Decrease in Short term loans & advances	(229,325,431)	(19,808,778)
(Increase)/ Decrease in Other current assets & Inventory	(23,615,502)	(54,107,921)
Increase / (Decrease) in Trade payables	94,044	11,145,258
Increase / (Decrease) in Current Liabilities	139,267,760	20,591,235
Increase / (Decrease) in Long Term provision	2,078,874	-
<b>Cash generated from operations</b>	<b>(253,941,309)</b>	<b>(297,748,660)</b>
Income tax paid	-	-
<b>Net cash generated from/(used in) operating activities</b>	<b>(253,941,309)</b>	<b>(297,748,660)</b>
<b>B. Cash Flow from Investing Activities:</b>		
(Increase) / Decrease in Fixed Assets	(144,405,242)	(190,306,503)
(Increase) / Decrease in Non current Assets	(56,988,236)	(5,639,997)
Adjustment due to forex translation on consolidation	2,578,189	(4,646,886)
Other Income	11,520,131	2,247,993
<b>Net cash generated from/(used in) investing activities</b>	<b>(187,295,158)</b>	<b>(198,345,393)</b>
<b>C. Cash Flow from Financing Activity</b>		
Increase / (decrease) in Unsecured Loans	18,355,816	16,940,067
Increase in share Capital	48,603,495	846,270,000
Interest paid	(2,462,766)	(1,163,485)
<b>Net cash generated from/(used in) financing activities</b>	<b>64,496,545</b>	<b>862,046,582</b>
<b>D. Net Increase/( Decrease) in Cash and Cash Equivalents</b>	<b>(376,739,921)</b>	<b>365,952,529</b>
Cash and Cash Equivalents at the beginning of the year	410,863,447	44,910,917
<b>Cash and Cash Equivalents at the end of the year</b>	<b>34,123,526</b>	<b>410,863,447</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	826,185	1,719,529
Amount maintained in wallet	574,507	456,184
Bank balances		
- in current accounts	32,134,797	257,334,028
- in deposit accounts	588,037	151,353,706
<b>Total</b>	<b>34,123,526</b>	<b>410,863,447</b>

The notes are an integral part of these Consolidated Financial Statements.

In terms of our report attached

**For N R G & Co.,**

Chartered Accountants

Firm Regd. No. 013417S

Sd/-

**CA P Rama Krishna**

**Partner**

**Membership No. 512328**

Place: Kurnool

Date: 05.12.2020

**UDIN: 20512328AAAAEA5234**

**For on Behalf of the Board of Directors**  
**ProYuga Advanced Technologies Limited**

Sd/-

**Trivikrama Reddy**

**Kothinti**

**Managing Director & CEO**

**DIN: 07795482**

Sd/-

**Reshika Reddy Gattupally**

**Whole Time Director**

**DIN:07987202**

Sd/-

**Prince Pandey**

**Company Secretary**

**Membership No: A59040**

Sd/-

**Navya Surapaneni**

**CFO**

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

**Note 1. Share Capital**

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Rs.	No. of Shares	Rs.
<b>a) Authorised :</b>				
Equity Shares of Rs.1/- each	100,000,000	100,000,000	100,000,000	100,000,000
<b>Preference Shares of different Classes</b>				
Preference Shares of Rs 1/- each	20,000,000	20,000,000	20,000,000	20,000,000
Preference Shares of Rs 10/- each	158000000	1,580,000,000	8000000	80,000,000
Preference Shares of Rs 100/- each	500000	50,000,000	500000	50,000,000
	<b>278,500,000</b>	<b>1,750,000,000</b>	<b>128,500,000</b>	<b>250,000,000</b>
<b>b) Issued, Subscribed and Fully Paid up :</b>				
Fully Paid up capital Equity Shares of Rs.1/- Each	45,355,027	45355027	45,355,027	45,355,027
Fully Paid up Preference Shares Capital of Rs 10/- Each				
0.2% Non Cumulative Optionally Convertible Preference Shares	6,500,000	65,000,000	6500000	65,000,000
0.02% Non Cumulative Redeemable Preference Shares	3,273,000	32,730,000	313000	3,130,000
0.02% Non-Cumulative Optionally Convertible Preference Shares	86,527,000	865270000	84627000	846270000
<b>Total</b>	<b>141,655,027</b>	<b>1,008,355,027</b>	<b>136,795,027</b>	<b>959,755,027</b>

**1. Rights, preferences and restrictions attached to equity shares**

The company has only one class of Equity shares having a par value of Rs.1/- each. Each holder of Equity share is entitled to one vote per share on  
In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after

**2. Details of share holders holding more than 5% of total number of shares**

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Sama Vijaya Kumar Reddy	38,334,052	84.52%	38,334,052	84.52%
Sama Vasantha Sai	3,792,500	8.36%	3,632,500	8.01%

**3. Reconciliation of number of Equity shares:**

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	45,355,027	45,355,027	-	-
Add: Shares Issued during the year	-	-	45,355,027	45,355,027
	45,355,027	45,355,027	45,355,027	45,355,027
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>45,355,027</b>	<b>45,355,027</b>	<b>45,355,027</b>	<b>45,355,027</b>

**4. The company has not issued any bonus shares during the last five financial years.**

**5. None of the shares were allotted in pursuant to contract without payment being received in cash.**

**ProYuga Advanced Technologies Limited**

1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072

**Notes Forming Part of Financial Statements**

**Note:2. Reserve and surplus**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Security Premium	-	-
(ii)	General reserve		
(ii)	Surplus / (Deficit) in Statement of Profit and Loss		
	Balance at the beginning of the year	(286,263,282)	(15,286,491)
	Add: Profit / (Loss) for the year	(137,896,276)	(190,124,465)
	Loss arising on account of consolidation	(39,029,947)	(80,852,326)
	Balance at the end of the year	<b>(463,189,505)</b>	<b>(286,263,282)</b>
	<b>Total</b>	<b>(463,189,505)</b>	<b>(286,263,282)</b>

**Note:3 Long Term Borrowings**

Particulars		As at March 31, 2020	As at March 31, 2019
<b>Term loans From Banks</b>			-
(i)	Commercial Loans	34,486,325	15,213,112
(ii)	Vehicle Loans	740,239	1,110,602
	Other Loans	-	616,353
	<b>Total</b>	<b>35,226,564</b>	<b>16,940,067</b>

**Note:**

**1. The Company had taken the Commercial Loan by keeping the following Office Premises as Security for the Loan**

a. Office Premises Located in Mumbai with address 1609, Lodha Supremus, SakiVihar Road, Opp. MTNL office, Powai, Mumbai-400072

b. Office Premises located in Hyderabad with address Plot No 30, Brigade Towers, East Wing, Ground Floor, Nanankramguda, Financial District, Gachibowli, Hyderabad-500032

**2. The Company had taken the Vehicle loans by keeping following Vehicles as Security for the Loans**

a. The Company has purchased 2 Alto's & 2 Omni's for the office purpose and the same are kept as security for taking the loans

**Note: 4 Other Long Term Liabilities**

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Security Deposits	405,000	60,000
	<b>Total</b>	<b>405,000</b>	<b>60,000</b>

**Note:5 Long Term Provisions**

Particulars		As at March 31, 2020	As at March 31, 2019
<b>Provision for employee benefits:</b>			
a.	Gratuity	1452436	-
b.	Leave Encashment	626,438	-
	<b>Total</b>	<b>2,078,874</b>	<b>-</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

**Note:6** Short Term Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Loans Repayable on demand		
(2) From other parties	69,319	-
<b>Total</b>	<b>69,319</b>	<b>-</b>

**Note :7** Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payable Expenses	13,212,978	13,707,863
Trade Payable Capital purchases	1,083,763	494,834
<b>Total</b>	<b>14,296,741</b>	<b>14,202,697</b>

**Note: 8** Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Employee Benefit Expenses	2,403,894	688,804
(b) Professional Charges Payable	12,150	-
<b>(c) Statutory Dues Payable</b>		
(i) PF Payable	185,680	
(ii) Professional Tax Payable	12,850	25,400
(iii) TDS Payable	327,839	14,696,269
(iv) GST Payable	146,702	502,214
(d) Outstanding Liabilities	310,695	2,110
(e) Advances Received from Customer	157,640,974	6,030,666
(f) Director Fees Payable	-	375,384
<b>Total</b>	<b>161,040,783</b>	<b>22,320,847</b>

**Note:9** Short Terms Provision

(Amount in Rs)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Provision for Audit Fees	405,323	202,500
<b>Total</b>	<b>405,323</b>	<b>202,500</b>

**Note:13** Non current Investments

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Investments (At cost):		
Investment in Associate (Dubai LLC)	-	3,185,009
<b>Total</b>	<b>-</b>	<b>3,185,009</b>

**Note :14** Long Term Loans and Advances

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured Loans and Advances Considered Good</b>		
(a) Security deposits	2,597,736	5,450,802
(b) Capital Advances	60,486,094	566,868
<b>Total</b>	<b>63,083,830</b>	<b>6,017,670</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

(Amount in INR)											
S.No	Particulars	Gross Block (At cost)				Depreciation/Amortisation				Net block	
		As at April 1, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	Up to April 1, 2019	Addition for the year	Deletion for the year	Up to March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>10</b>	<b>Tangible assets</b>										
	(i) Desktops & Laptops etc.	14,791,119	16,282,053	161	31,073,011	3,261,401	9,489,607	-	12,751,008	18,322,003	11,529,718
	(ii) Servers	501,440	58,453	-	559,893	103,989	65,655	-	169,644	390,249	397,451
	(iii) Office Equipment	5,183,677	3,416,139	206,825	8,392,991	446,829	1,424,852	23,552	1,848,129	6,544,862	4,736,848
	(iv) Furniture and Fixtures	4,216,120	1,549,568	286,034	5,479,654	277,170	585,992	30,384	832,778	4,646,876	3,938,950
	(V) Buildings	60,889,991	187,000	-	61,076,991	685,267	967,202	-	1,652,469	59,424,522	60,204,724
	(VI) Land	-	123,225,576	-	123,225,576	-	-	-	-	123,225,576	-
	(VII) Electrical Installations	2,509,473	658,509	192	3,167,790	61,527	351,136	-	412,663	2,755,127	2,447,946
	(VIII) Lease Hold Improvements	4,406,469	1,023,630	42,789	5,387,310	377,902	1,178,829	35,489	1,521,242	3,866,068	4,028,567
	(ix) Vehicle	1,193,974	-	-	1,193,974	38,844	142,172	-	181,016	1,012,958	1,155,130
		<b>93,692,263</b>	<b>146,400,928</b>	<b>536,001</b>	<b>239,557,190</b>	<b>5,252,929</b>	<b>14,205,445</b>	<b>89,425</b>	<b>19,368,949</b>	<b>220,188,241</b>	<b>88,439,334</b>
<b>11</b>	<b>Intangible assets</b>										
	(i) Intangible Assets	136,498,554	-	64,875	136,433,679	3,176,848	26,047,255	61,631	29,162,472	107,271,207	133,321,706
	(ii) Moulds	1,412,750	510,400	32,500	1,890,650	424	18,578	13	18,988	1,871,662	1,412,327
	(iii) Stencils		134,620	-	134,620		24,740	-	24,740	109,880	-
		<b>137,911,304</b>	<b>645,020</b>	<b>97,375</b>	<b>138,458,949</b>	<b>3,177,272</b>	<b>26,090,573</b>	<b>61,644</b>	<b>29,206,200</b>	<b>109,252,749</b>	<b>134,734,033</b>
<b>12</b>	<b>(i) Capital WIP related to Tangibles</b>										
		2,191,449	203,585	2,361,984	33,050	-	-	-	-	33,050	2,191,449
										-	-
		2,191,449	203,585	2,361,984	33,050	-	-	-	-	33,050	2,191,449
	<b>Total tangible assets</b>	<b>95,883,712</b>	<b>146,604,513</b>	<b>2,897,985</b>	<b>239,590,240</b>	<b>5,252,929</b>	<b>14,205,445</b>	<b>89,425</b>	<b>19,368,949</b>	<b>220,221,291</b>	<b>90,630,783</b>
	Other Intangible assets										
										-	-
	<b>Total Intangible assets</b>	<b>137,911,304</b>	<b>645,020</b>	<b>97,375</b>	<b>138,458,949</b>	<b>3,177,272</b>	<b>26,090,573</b>	<b>61,644</b>	<b>29,206,200</b>	<b>109,252,749</b>	<b>134,734,033</b>
	<b>Total</b>	<b>233,795,016</b>	<b>147,249,533</b>	<b>2,995,360</b>	<b>378,049,189</b>	<b>8,430,201</b>	<b>40,296,017</b>	<b>151,069</b>	<b>48,575,149</b>	<b>329,474,040</b>	<b>225,364,816</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

**Note:15 Other Non Current Assets**

Particulars		As at March 31, 2020	As at March 31, 2019
(a)	Preliminary Expenditure	1,505,220	2,006,960
	Less Written Off	501,740	501,740
	Preliminary Expenditure Carried Forward	1,437,741	1,505,220
<b>Total</b>		<b>1,437,741</b>	<b>1,505,220</b>

**Note: 16 Inventory**

Particulars		As at March 31, 2020	As at March 31, 2019
(a)	Raw materials	2,635,642	1,043,087
(b)	Work-in-progress	11,466	1,572,663
(c)	Finished goods (other than those acquired for trading)	321,398	-
(d)	Stock-in-trade (acquired for trading)	14,172,850	6,033,369
<b>Total</b>		<b>17,141,356</b>	<b>8,649,119</b>

**Note:17 Trade Receivables**

Particulars		As at March 31, 2020	As at March 31, 2019
<b>Trade receivables</b>			
	Secured considered good	-	-
	Unsecured considered good		
a.	Receivable from more than 6 Months	3,290,036	-
a.	Receivable from less than or Equal to 6 Months	1,739,491	5,909,375
	Less: Provision for doubtful trade receivables	-	-
<b>Total</b>		<b>5,029,527</b>	<b>5,909,375</b>

**Note:18 Cash and cash equivalents**

Particulars		As at March 31, 2020	As at March 31, 2019
(a)	Balances with banks	32,134,797	257,334,028
(b)	Cash on hand	826,185	1,719,529
(c)	Balance in Wallets, Other Cards	574,507	456,184
(d)	In Deposit Accounts	588,037	151,353,706
<b>Total</b>		<b>34,123,526</b>	<b>410,863,447</b>

**Note:19 Short term loans and advances**

Particulars		As at March 31, 2020	As at March 31, 2019
<b>Unsecured Loans and Advances Considered Good</b>			
(a)	<b>Loans and Advances to Related Parties</b>		
(i)	Inter Company Loans	63,155,678	-
(b)	<b>Loans and Advances to Others</b>		
(i)	Advance paid to Suppliers	718,256	19,243,504
(ii)	Salary Advance	16,664	17,826
(iii)	Prepaid Expenses	4,547,597	340,968
(iv)	Security Deposits	4,641,498	791,900
(v)	Other Short term loans and advances	176,639,935	-
<b>Total</b>		<b>249,719,628</b>	<b>20,394,198</b>

**Note:20 Other Current assets**

Particulars		As at March 31, 2020	As at March 31, 2019
(a)	Advance Tax	-	206,000
(b)	<b>TDS Receivable</b>		
(i)	TDS Receivable FY 19-20	2,027,678	
(ii)	TDS Receivable FY 18-19	252,509	252,509
(iii)	TDS Receivable FY 17-18	-	212,246
(c)	GST Receivable	60,475,096	484,12,724
(d)	Others Receivables	3,297,768	154,1957
(e)	Other Current Assets	741,504	1,045,854
<b>Total</b>		<b>66,794,555</b>	<b>51,671,290</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

<b>Note:21 Revenue From Operations (Amount in INR)</b>		
<b>Particulars</b>	<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
Sale of services	10,846,137	14,715,997
Sale of Goods	16,898,307	-
Export services	5,156,486	-
<b>Total</b>	<b>32,900,930</b>	<b>14,715,997</b>
<b>Note:22 Other Income</b>		
<b>Particulars</b>	<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
Interest Income	6,193,688	2,235,273
Rent & Maintenance Received	611,016	-
Interest on Income Tax Refund	35,544	-
Other non-operating income	4,679,883	12,720
Foreign Exchange conversion gain on Consolidation	2,578,189	-
<b>Total</b>	<b>14,098,320</b>	<b>2,247,993</b>
<b>Note:23 Employee Benefits Expense</b>		
<b>Particulars</b>	<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
(a) Salaries and incentives Other than Directors	34,119,613	24,801,315
(b) Directors Remuneration	4,711,400	2,678,400
(b) Contributions to -		
(i) provident fund & Other funds	1,299,516	767,028
(ii) Gratuity Expense	1,452,436	-
(b) Staff welfare expenses	2,333,756	2,400,710
(c) Leave Encashment	626,438	-
<b>Total</b>	<b>44,543,159</b>	<b>30,647,453</b>
<b>Note:24 Finance Cost</b>		
<b>Particulars</b>	<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
(a) Interest expense	2,462,766	875,661
(b) Interest on TDS	67,051	287,824
<b>Total</b>	<b>2,529,817</b>	<b>1,163,485</b>

**ProYuga Advanced Technologies Limited**  
**1609, Lodha Supremus, Saki Vihar Road, Opp. MTNL office, Powai, Mumbai-400072**  
**Notes Forming Part of Financial Statements**

<b>Note:25 Other Expenses</b>		<b>(Amount in INR)</b>	
<b>Particulars</b>		<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
1	Bank and Other Charges	1,436,320	823,622
2	Repairs & Maintenance		
	(i) Repiars & Maintenane Building	3,380,503	2,252,656
	(ii) Repiars & Maintenane Others	441,645	812,558
3	Rent	22,823,681	16,570,192
4	Rates & Taxes	709,686	14,918,724
5	Travelling Expenses	8,362,551	9,219,543
6	Power and Fuel Charges	1,823,258	1,735,354
7	Marketing Expenses	9,523,264	60,036,753
8	Printing & Stationery	109,649	240,778
9	Professional Charges	54,789,557	120,474,491
10	Research and Development Expenses	550,110	964,528
11	Subscription	5,970,954	3,644,682
12	Telephone and Communication	1,157,453	1,238,428
13	Stipends	430,902	783,874
14	Audit Fees	417,386	402,603
15	Misc. Expense	768,482	664,750
16	Foreign Exchange Loss	613,980	3,256,805
17	Preliminary Expenses Written Off	610,305	501,740
18	Withholding Taxes written off	46,440	494,617
19	Assets Written off & Impairment of Asse	7,453,659	-
20	Loss of Inventory	666,091	-
21	Commissions	3,091,267	976,111
22	Director Fees	573,937	571,423
23	Insurance	30,618	-
24	Impairment loss on revaluation of sharesof Dubai Co	3,174,564	2,395,943
	<b>Total</b>	<b>128,956,260</b>	<b>242,980,175</b>
<b>Note-26</b>			
<b>Sl.No</b>	<b>Contingent Liabilities</b>	<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
1	Unexpired Letter of Credit	Nil	Nil
2	Unexpired Bank Guarantees	Nil	Nil
<b>Note-27</b>			
<b>Sl.No</b>	<b>Statutory Auditors Remuneration</b>	<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
1	Statutory Audit fee	342386	327603
2	Tax Audt fees	50000	50,000
3	Other Certifications	25000	25,000
	<b>Total</b>	<b>417386</b>	<b>402603</b>
<b>Note-28</b>			
<b>Sl.No</b>	<b>Tax Expense</b>	<b>For the Year ended March 31, 2020</b>	<b>For the Year ended March 31, 2019</b>
1	Current Tax	-	-
2	Deferred Tax	(1,770,295)	(5,693,591)
		<b>-1770295</b>	<b>-5693591</b>