



VXL Instruments Limited
No.1783, Sector 1, Phoenix
House, 19thMain, HSR Layout,
Bengaluru-560 102
Website: www.vxl.net E-mail:
cfo@vxl.net CIN: L85110 MH1986
PLC 272426



ISO 9001: 2015
10008316 QM 15
ISO 14001: 2015
10008316 UM

To
Department of Corporate Services
BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400 001

Date: 01.09.2021

Dear Sirs,

SUB: Copy of Annual Report.

Ref: Scrip Code-517399

Pursuant to the provisions of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the copy of Annual Report along with the notice of Thirty Fifth (35th) Annual General Meeting of the Company to be held at 12.00 Noon on Monday, the 27th day of September, 2021 through Video Conference (VC) or Other Audio Visual Means (OAVM) as per the Companies Act, 2013.

Please take the documents on record and kindly treat this as compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you

Yours faithfully

Roopa Hegde
Company Secretary and Compliance Officer
Membership No.:A61939

35th
Annual Report
2020 - 2021



VXL Instruments Limited

BOARD OF DIRECTORS

Mr. Vittal Mangalore Shetty
Mrs. Shruti Bhuwania (w.e.f 10.07.2021)
Ms. Anita Jaiswal (w.e.f 29.07.2021)
Ms. Hema Thakur Kiran (w.e.f 29.07.2021)

Whole Time Director
Additional Director
Additional and Independent Director
Additional and Independent Director

Mr. Mahesh Kumar K V
Mrs. Roopa Hegde

Chief Financial Officer
Company Secretary

AUDIT COMMITTEE

Ms. Hema Thakur Kiran (w.e.f 29.07.2021) Chairperson
Ms. Anita Jaiswal (w.e.f 29.07.2021) Member
Mr. Vittal Mangalore Shetty Member

STATUTORY AUDITORS

Messrs. YCRJ & Associates
Chartered Accountants
Bengaluru

NOMINATION AND REMUNERATION COMMITTEE

Ms. Hema Thakur Kiran (w.e.f 29.07.2021) Chairperson
Ms. Anita Jaiswal (w.e.f 29.07.2021) Member
Ms. Shruti Bhuwania (w.e.f 29.07.2021) Member

INTERNAL AUDITORS

Messrs. Hande & Associates
Chartered Accountants
Bengaluru

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Ms. Hema Thakur Kiran (w.e.f 29.07.2021) Chairperson
Ms. Anita Jaiswal (w.e.f 29.07.2021) Member
Mr. Vittal Mangalore Shetty Member

SECRETARIAL AUDITORS

Mr. Vijayakrishna K T
Practising Company Secretary
Bengaluru

BANKERS

Bank of Baroda
HDFC Bank Ltd.
State Bank of India

REGISTRARS AND SHARE TRANSFER AGENTS

Bigshare Services Private Limited
1st Floor, Bharat Tin Works
Building, Opp. Vasant Oasis
Makwana Road, Marol Andheri
Mumbai – 400 072
Tel.: 022-62638200
Fax. : 022-62638299

REGISTERED & CORPORATE OFFICE

#252, 5th Floor, Building No.2, Solitaire
Corporate Park, Chakala Andheri (East)
Mumbai – 400 093
Tel: 91 22 2824 5210 / Fax: 91 22 4287 2197
Website: www.vxl.net
CIN: L85110MH1986PLC272426
E-mail: cfo@vxl.net

WORKS

"74/C" Electronic City, Hosur Road,
Bengaluru - 560 100
Tel : 91-80-2852 3258/2852 3257
Website: www.vxl.net
CIN: L85110MH1986PLC272426
E-mail: cfo@vxl.net

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THIRTY FIFTH ANNUAL GENERAL MEETING
on Monday, 27th September, 2021

VXL INSTRUMENTS LIMITED

CIN: L85110MH1986PLC272426

Registered Office: 252, 5th Floor, Building No. 2, Solitaire Corporate Park Chakala,
Andheri (East), Mumbai – 400 093

Phone: +91 22 28245210 Fax: +91 22 42872197

E-mail: cs@vxl.net Website: www.vxl.net

NOTICE

Notice is hereby given that the Thirty Fifth (35th) Annual General Meeting (AGM) of the Members of the Company will be held at 12.00 Noon, on Monday, 27th September, 2021 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements as at 31st March, 2021, together with Independent Auditors' Report and the Board's Report including Secretarial Audit Report thereon.
2. To appoint a Director in place of Mr. M V Shetty (DIN: 00515711), Whole Time Director who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Ms. Shruti Bhuwania (DIN: 06630867), as Non-Executive Director of the Company.

To consider, and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Articles of Association of the Company, provisions of Sections 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], Ms. Shruti Bhuwania (DIN: 06630867), who was appointed as an Additional Director of the Company based on the recommendation of Nomination and Remuneration Committee, by the Board of Directors at its meeting held on 10th July, 2021 and whose term of office expires at this Annual General Meeting, be and is hereby appointed as Non-Executive Director of the Company and that her office shall be liable to determination by retirement by rotation.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

4. To appoint Ms. Anita Jaiswal (DIN: 08485642), as a Director and as an Independent Director of the Company.

To consider, and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Articles of Association of the Company and the provisions of Section 161 of the Companies Act, 2013, Ms. Anita Jaiswal (DIN: 08485642), who was appointed as an Additional Director of the Company by the Board of Directors, based on the recommendation of Nomination and Remuneration Committee and who holds the office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and as per recommendation of the Nomination and Remuneration Committee and the Board, Ms. Anita Jaiswal (DIN-08485642), who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Act, and is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from 29th July, 2021 up to and including 28th July, 2026 and that her office shall not be liable to retire by rotation."

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

5. To appoint Ms. Hema Thakur Kiran (DIN: 01363454), as a Director and as an Independent Director of the Company.

To consider, and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Articles of Association of the Company and the provisions of Section 161 of the Companies Act, 2013, Ms. Hema Thakur Kiran (DIN: 01363454), who was appointed as an Additional Director of the Company by the Board of Directors, based on the recommendation of Nomination and Remuneration Committee and who holds the office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149,150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and as per recommendation of the Nomination and Remuneration Committee and the Board, Ms. Hema Thakur Kiran (DIN: 01363454), who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Act, and is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from 29th July, 2021 up to and including 29th July, 2026 and that her office shall not be liable for retire by rotation.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

6. To appoint Mr. Radhakrishna Kunjilal Saraswat (DIN: 00015095), as an Independent Director of the Company.

To consider, and if thought fit, to pass, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149,150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and other applicable laws, if any, based on the recommendations of the Nomination and Remuneration Committee and the Board, Mr Radhakrishna Kunjilal Saraswat (DIN: 00015095), who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act, and is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from immediate effect i.e. 27th September, 2021 up to and including 26th September, 2026 and that his office shall not be liable for retire by rotation.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

7. To continue the Directorship of Mr. M V Shetty(DIN: 00515711), as Whole Time Director of the Company, who will attain the age of 70 years on 7th March, 2022.

To consider, and if thought fit, to pass, the following Resolution as a Special Resolution:

VXL Instruments Limited

"RESOLVED THAT pursuant to the provisions of Sections 196,197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification from time to time or any re-enactment thereof for the time being in force) approval of the members be and is hereby accorded for continuation of Directorship of Mr. M V Shetty(DIN: 00515711), as Whole Time Director of the Company, who will attain the age of 70 years on 7th March, 2022, for the remaining period of his term of 3 years i.e. until 30th September, 2022 on the same terms and conditions of resolution passed by the members at the 33rd Annual General Meeting of the Company held on 27th September, 2019.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

8. To approve Material Related Party Transactions with VXL Software Solutions Private Limited.

To consider, and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or amendments(s) or re-enactments(s) thereof, for the time being in force) and as recommended by the Audit Committee, consent of the Members be and is hereby accorded to carry the Related Party Transaction(s) by the Company with VXL Software Solutions Private Limited, a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(zb) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 within the limits mentioned in the below table for the financial year 2020-21:

Sl. No.	Nature of Transactions	Estimated Value of Transactions per annum (Rs. in Crores)
1	Purchase of materials/goods	1.00
2	Sale of materials/goods	0.00
3	Reimbursement of expenses	0.00

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds things to take all necessary steps to give effect to the above said Resolution including signing of any Agreements with the related parties and to issue purchase orders or sales invoice on behalf of the Company".

By Order of the Board
For VXL Instruments Limited

Place: Bangalore
Date: 26.08.2021

Roopa Hegde
Company Secretary & Compliance Officer
Membership No.: ACS 61939
Address: SF5, Elegant Elite, 1st Cross, 2nd Main,
Sundaram Shetty Nagar, Vijaya Bank Layout,
Bannerghatta Road, Bangalore-560076

Notes:

1. In view of disruptions caused by COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (collectively "MCA Circulars"), permitted Companies to conduct Annual General Meeting (AGM) through video conferencing or other audio visual means (VC/OAVM) till December 31, 2020, subject to compliance with various conditions mentioned therein. Similarly, SEBI vide Circular No. 79 dated May 12, 2020 granted certain relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through electronic mode till December 31, 2020. Further, MCA vide General Circular No. 02/2021 dated January 13, 2021 ("SEBI Circulars") extended the option to conduct the AGM through VC till December 31, 2021. Similarly, SEBI vide Circular No. 11 dated January 15, 2021 extended the relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through electronic mode till December 31, 2021. In compliance with the MCA Circulars, SEBI Circulars and applicable provisions of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the 35th AGM of your Company is being convened and conducted through VC.
2. The Company has facilitated the members to participate in the 35th AGM through VC facility provided by Central Depository Services Limited (CDSL). The instructions for participation by members are given in the subsequent paragraphs. Participation in AGM through VC shall be allowed on a first-come-first-served basis.
3. As per MCA Circulars, members attending the 35th AGM through VC will be reckoned for the purpose of quorum as per Section 103 of the Companies Act, 2013.
4. For exercising the votes by the members by electronic means, the Company has provided the facility of remote e-voting as well as e-voting during the AGM. The procedure for using the remote e-voting facility as well as e-voting during the AGM is given in the subsequent paragraphs.
5. Members joining the AGM through VC shall be permitted to exercise their right to vote using the e-voting facility at the AGM, provided they have not cast their votes using remote e-voting facility. The members who have already cast their votes prior to AGM using the remote e-voting facility may also join the AGM through VC; but shall not be entitled to cast their votes again at the AGM.
6. As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need not be a member of the Company. Since 35th AGM is being held through VC as per MCA Circulars and SEBI Circulars, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the 35th AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. Similarly, as this AGM is being held through VC, the route map is not annexed to this notice.
7. Corporate members may authorize their representatives for casting the votes using remote e-voting facility or for participation and voting in the AGM using VC. Institutional Investors are encouraged to attend and vote at the AGM through VC.
8. In line with MCA Circulars and SEBI Circulars, the Annual Report for the Financial Year 2020-21 along with Notice of 35th AGM of the Company inter-alia indicating the process and manner of e-voting are being sent only by electronic mode to those members whose email IDs are registered with the Company/Depository Participant(s) for communication.

Members may note that the aforesaid documents may also be downloaded from the Company's website under the Investor-Annual Results section at <https://www.vxl.net/investors/annual-result> or from the website of BSE Limited at www.bseindia.com.

In line with MCA Circulars, the Company has enabled a process for the limited purpose of receiving the AGM Notice and Annual Report (including remote e-voting instructions) electronically. To support the 'Green Initiative', the Members who have not registered their e-mail address are requested to register the same with Registrar and Share Transfer Agent: Bigshare Services Private Limited.

9. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained as per the Companies Act, 2013 will be available for electronic inspection by the members during the AGM. All the documents referred to in the Notice will also be available for electronic inspection by the members without any fee from the date of circulation of this notice up to the date of AGM. Members seeking to inspect such documents may send an email to cs@vxl.net.
10. Members seeking clarifications on the Annual Report are requested to send an email to cs@vxl.net on or before 20th September, 2021. This would enable the Company to compile the information and provide replies at the meeting.
11. The Register of Members and the Share Transfer books of the Company will remain closed from 21st September, 2021 to 27th September, 2021 (both days inclusive).
12. The Shares of the Company are compulsorily traded in dematerialized form as per the directions of the Stock Exchange. Accordingly, members who have not opted for dematerialization of shares are once again reminded to take steps to dematerialize their holdings. Further, the members may note that as per SEBI(LODR) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, except in case of transmission or transposition of securities, no transfer of securities shall be processed unless the securities are held in the dematerialized form. Accordingly, shareholders holding equity shares in physical form are urged to get their shares dematerialized so that they will be able to transfer them freely and participate in corporate actions.
13. Members holding the shares in physical form are requested to communicate the changes, if any, in their addresses, bank account details and other necessary details to the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasanth Oasis, Makwana Road, Marol, Andheri (E), Mumbai-400059. Members holding the shares in dematerialized form are requested to communicate such changes to the concerned Depository Participant.
14. Members who are yet to register their e-mail address/Mobile No. are requested to register the same with the Depository through their Depository Participants in respect of shares held in dematerialized form. Members holding the shares in physical form may register their e-mail address/Mobile No. by writing to the Company's Registrar and Share Transfer Agent.
15. Non-resident Indian shareholders are requested to immediately inform the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, about the following matters: -the change in residential status on return to India for permanent settlement, and the particulars of the NRE account with a bank in India, if not furnished earlier.
16. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form may submit their PAN details to the Company's Registrar and Share Transfer Agents or the Company.
17. Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13, as prescribed by the Government may be obtained from the Registrar and Share Transfer Agent or the Secretarial Department of the Company at its registered office.
18. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.

19. Procedure for e-voting and joining AGM through VC:

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the 35th AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility to cast the votes by the members using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The voting period begins on 24th September, 2021 (9.00 AM IST) and ends on 26th September, 2021 (5.00 PM IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record date) of 20th September, 2021 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

To increase the efficiency of the e-voting process, SEBI, vide Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, intended to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders should be permitted to cast their votes without having to register again with the e-voting service providers, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

As required by this Circular, Individual shareholders holding securities in demat mode are allowed to vote through their demat accounts maintained with Depositories and Depository Participants. Hence, members are advised to update their mobile numbers and email Ids in their respective demat accounts to access e-voting facility.

The detailed e-voting procedure is as under:

- (a) Pursuant to abovesaid SEBI Circular, login procedure for e-voting and joining virtual meetings for Individual shareholders holding securities in demat mode is given below:

Shareholder Type	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting the vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there will be links provided to access the system of all e-voting service providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.</p>

	<p>Alternatively, the user may directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & email as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers.</p>
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>Users who have already registered for NSDL IDeAS facility, may visit the e-Services website of NSDL i.e., https://eservices.nsd.com either on a Personal Computer or on a mobile. On clicking on the 'Beneficial Owner' icon under 'Login' under 'IDeAS' section, a new screen will open. After successful authentication using the User ID and Password, user will be able to see e-voting services. Click on 'Access to e-Voting' under e-voting services will lead to e-voting page. Click on company name or e-voting service provider name will redirect to e-voting service provider website for casting the vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p> <p>If the user has not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select 'Register Online for IDeAS' portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>Alternatively, the user may visit the e-voting website of NSDL i.e., https://www.evoting.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-Voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders (holding securities in Demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-Voting service provider name will redirect to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>

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

For any technical issues related to login through Depository i.e., CDSL and NSDL, individual shareholders holding securities in Demat mode may access the helpdesk as under:

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL.	Members facing any technical issues in login may contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issues in login may contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(b) The instructions for remote e-voting for Members (other than individual shareholders holding shares in Demat form) & physical shareholders are as under:

- (i) The Members should log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" module.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (v) If you are a first-time user, follow the steps given below:

	For shareholders holding shares in Demat Form (other than Individual shareholders) and in Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	<ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details or Date of Birth (DOB)	<ul style="list-style-type: none"> ● Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login. ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii) above.

(c) After entering these details appropriately, click on "SUBMIT" tab.

(d) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat account holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

VXL Instruments Limited

- (e) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (f) Click on the EVSN relevant to 'VXL Instruments Limited' on which you choose to vote.
- (g) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" is available for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (h) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (i) After selecting the resolution, if you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (j) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (k) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

Instructions for Members attending the AGM through VC are as under:

- (i) Members will be provided with a facility to attend the AGM through VC through the CDSL e-voting system. Members may access the same at www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) The Members can join the AGM through VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- (iii) System requirements for best VC experience:
Though any internet enabled device i.e., Laptop, Desktop, Smartphone or a Tablet may be used to join the meeting, members are encouraged to join the AGM through Laptop/Tablet for better experience. Laptop with at least Core2duo processor, 1GB RAM, good quality multimedia kit and latest version of Internet Browser are preferred. Members are requested to download the Cisco WebEx meeting tool in advance and enable the camera during the AGM.

Members connecting from Mobile Devices, Tablets or Laptop connected via Mobile Hotspot might experience Audio/Video loss due to fluctuations in their respective networks. To mitigate any such glitches, it is recommended to use stable Wi-Fi or LAN connection (without proxy & firewall) with a speed of 2 Mbps or more.
- (iv) Members who would like to ask questions or express their views at the AGM may register themselves as a speaker by sending a mail with their name, Demat account number/folio number, email id, mobile number to cs@vxl.net on or before 20th September, 2021. The Company reserves the right to limit the number of members asking the questions depending on the time availability at the AGM.
- (v) Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.

Instructions for Members for e-voting during the AGM are as under: -

- (i) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (ii) Only those members, who are present in the AGM through VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- (iii) If any votes are cast by the members through e-voting available during the AGM and if those members have not participated in the meeting through VC facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
- (vi) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote again at the AGM.

Note for Non – Individual Shareholders and Custodians:

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz cs@vxl.net, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Other instructions:

- (i) The voting rights of shareholders shall be in proportion to their Shares of the Paid-up Equity Share Capital of the Company as on the cut-off date of 20th September, 2021.
- (ii) The Board of Directors has appointed Mr. Sanjay Parab (Membership No. FCS 6613 & CP No-7093), Practising Company Secretary, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iii) The Scrutinizer will submit his report to the Chairman of the Meeting or to any other person authorized by the Company after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's Report shall be communicated to the Stock Exchange, CDSL and RTA and will also be displayed on the Company's website, <https://www.vxl.net/investors/disclosures>.

VXL Instruments Limited

Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the AGM Notice and holding shares as of the cut-off date i.e., 20th September, 2021 may obtain the login ID and password by sending a request to helpdesk.evoting@cdslindia.com or by contacting the RTA, Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasanth Oasis, Makwana Road, Marol, Andheri (E), Mumbai-400059.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

By Order of the Board
For VXL Instruments Limited

Place: Bangalore
Date: 26.08.2021

Roopa Hegde
Company Secretary & Compliance Officer
Membership No.: ACS 61939
Address: SF5, Elegant Elite, 1st Cross,
2nd Main, Sundaram Shetty Nagar,
Vijaya Bank Layout, Bannerghatta Road,
Bangalore-560076

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**Item No 3: To appoint Ms. Shruti Bhuwania (DIN: 06630867), as Non Executive Director of the Company**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company in its Meeting held on 10.07.2021 had, appointed Ms. Shruti Bhuwania as an Additional Director of the Company who will hold office till this Annual General Meeting. Accordingly, an Ordinary Resolution seeking appointment of Ms. Shruti Bhuwania (DIN: 06630867) as Non-Executive Director of the Company.

Ms. Shruti Bhuwania is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director. Brief profile of Ms. Shruti Bhuwania is furnished as **Annexure to the Notice**.

Your Board recommends the Ordinary Resolution as set out in Item no. 3 for the approval of the Members.

Except Ms. Shruti Bhuwania, none of the other Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested financially or otherwise in the said Resolution.

Item No 4: To appoint Ms. Anita Jaiswal (DIN: 08485642), as a Director and as an Independent Director of the Company

Due to resignation of Mr. Vivek Gupta and Mr. Rakesh Shridas Damani, Independent Directors of the Company on closure of business hours on 28.06.2021 and 01.07.2021 respectively, there were two vacancies created in the office of Independent Director. To fill these vacancies, the Board, based on the recommendation of the Nomination and Remuneration Committee, at its Meeting held on 29th July, 2021, appointed Ms. Anita Jaiswal as an Additional Director and Independent Director of the Company, subject to approval of the Members. Brief profile of Ms. Anita Jaiswal is furnished as **Annexure to the Notice**

The Resolutions mentioned under Item no. 4 seeks the approval of the Members for appointment of Ms. Anita Jaiswal as Director and as an Independent Director of the Company to hold office for a period of five (5) consecutive years with effect from 29th July, 2021 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. She is not liable to retire by rotation.

The Company also has received declarations to the effect that she meets the criteria of independence as provided under sub-section (6) of Section 149 of the Companies Act, 2013. In the opinion of the Board, Ms. Anita Jaiswal, fulfills the conditions for her appointment as Independent Director as specified under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Anita Jaiswal as an Independent Director.

Ms. Anita Jaiswal has been inducted as member of Nomination & Remuneration Committee, Audit Committee and Stakeholders' Relationship Committee of the Company.

Your Board recommends the Ordinary Resolutions as set out in Item nos. 4 for the approval of the Members.

Except Ms. Anita Jaiswal, none of the other Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested financially or otherwise in the said Resolutions.

Item No 5: To appoint Ms. Hema Thakur Kiran (DIN: 01363454), as a Director and as an Independent Director of the Company.

To fill the casual vacancies arose due to resignation of Mr. Vivek Gupta and Mr. Rakesh Shridas Damani, Independent Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, the Board, at its Meeting held on 29th July, 2021, appointed Ms. Hema Thakur Kiran as an Additional Director and Independent Director of the Company, subject to approval of the Members.

The Resolutions mentioned under Item no. 5 seeks the approval of the Members for appointment of Ms. Hema Thakur Kiran as Director and as an Independent Director of the Company to hold office for a period of five (5) consecutive years with effect from 29th July, 2021 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. She is not liable to retire by rotation. Brief profile of Ms. Hema Thakur Kiran is furnished as **Annexure to the notice**.

The Company also has received declarations to the effect that she meets the criteria of independence as provided under sub-section (6) of Section 149 of the Companies Act, 2013. In the opinion of the Board, Ms. Hema Thakur Kiran, fulfills the conditions for her appointment as Independent Director as specified under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Hema Thakur Kiran as an Independent Director.

Ms. Hema Thakur Kiran has been appointed as Chairperson of Nomination & Remuneration Committee, Audit Committee and Stakeholders' Relationship Committee of the Company.

Your Board recommends the Ordinary Resolution as set out in Item no. 5 for the approval of the Members.

Except Ms. Hema Thakur Kiran, none of the other Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested financially or otherwise in the said Resolutions.

ITEM NO. 6: To appoint Mr Radhakrishna Kunjilal Saraswat (DIN: 00015095), as an Independent Director of the Company.

The Board of Directors of the Company at its meeting held on 12.08.2021, based on recommendations of the Nomination and Remuneration Committee, proposed the appointment of Mr. Radhakrishna Kunjilal Saraswat as an Independent Director, who is above the age of 75 years, subject to approval of the Members through Special Resolution at the ensuing Annual General Meeting.

Pursuant to the provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (seventy five) years unless a Special Resolution is passed to that effect.

Mr. Radhakrishna Kunjilal Saraswat, graduated in Commerce and also a Fellow Member of the Institute of Chartered Accountants of India and he has more than 42 years of experience in multifarious activities appertaining Projects and Corporate finance and he was the President of S. M. Dyechem Limited and Senior Vice President of Grasim, where he was engaged in setting up their Mangalore Refinery Project.

Approval of the members by way of Special Resolution is sought, for the appointment of Mr. Radhakrishna Kunjilal Saraswat as an Independent Director of the Company to hold office for a period of five (5) consecutive years with immediate effect i.e. 27th September, 2021 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under and he is not liable to retire by rotation.

Mr. Radhakrishna Kunjilal Saraswat has given a declaration to the Board that he meets the criteria of independence as provided under sub-section (6) of Section 149 of the Companies Act, 2013. In the opinion of the Board, he, fulfills the conditions for his appointment as an Independent Directors as specified under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the Management. Brief profile of Mr. Radhakrishna Kunjilal Saraswat is furnished as **Annexure to the notice**.

Considering his qualification and experience, the Board of Directors proposed the appointment of Mr. Radhakrishna Kunjilal Saraswat as an Independent Director.

Your Board recommends a Special Resolutions as set out in Item no 6 for the approval of the Members.

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

ITEM NO. 7: To continue the Directorship of Mr. M V Shetty(DIN: 00515711), as Whole Time Director of the Company, who will attain the age of 70 years on 7th March, 2022.

Mr. M V Shetty was re-appointed as Whole Time Director of the Company by the Members at the 33rd Annual General Meeting held on 27th September, 2019 for a period of 3 years from 1st October, 2019 to 30th September, 2022.

He will attain the age of 70 years on 7th March. 2022. It is proposed to obtain approval of the Members as per the provisions of Section 196 (3) of the Companies Act, 2013 for continuation of his employment as a Whole Time Director, on the same terms and conditions of his appointment approved by members at 33rd Annual General Meeting held on 27th September, 2019.

Mr. M V Shetty is one of the Promoters of the Company. He has more than 35 years of experience in Telecommunication, Product Design, Development and Quality/Process Management. He was responsible for bringing world class desktop products (Industrial, ergonomic and tool design). He was part of design team of various products of VXL Data Logger, CNC Terminals and thin clients etc. He has good experience in designing ruggedized products for defence applications. Brief profile is furnished as Annexure to the notice.

Your Board is of the opinion that the Company would be immensely benefited from the experience of Mr. M V Shetty and recommends the Special Resolution for as set out in Item no 7 for the approval by the Members .

Except Mr. M V Shetty, none of the other Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested financially or otherwise in the said Resolutions.

ITEM NO. 8: To approve Material Related Party Transactions with VXL Software Solutions Private Limited.

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Related Party Transactions were notified on September 2, 2015, inter alia require that all the Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Shareholders by an Ordinary Resolution. The said amendment further provides definition of the term 'Material' as follows:

“A transaction with a related party shall be considered material if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual turnover as per the last audited financial statements of the Company.”

VXL Software Solutions Private Limited is a “Related Party” as per the definition under Section 2(76) of the Companies Act, 2013 and Regulation 2(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VXL Instruments Limited

The following information is placed before the members:

Sl.No.	Particulars	Information
1	Name of the Related Party	VXL Software Solutions Private Limited
2	Nature of relationship	Director interest.
3	Nam of Director(s) or key Managerial Personnel who is related	Ms. Shruti Bhuwania
4	Nature, material terms, monetary Value and particulars of the transactions	<p>Nature of the Transactions: Purchases, Sales and Services</p> <p>Material Terms: Ongoing - based on periodical requirements</p> <p>Other Particulars: Based on Orders procured by VXL Software Solutions Private Limited, Domestic Annual Maintenance Contracts, service of thin clients, Sale of software are carried out through VXL Software Solutions Private Limited.</p> <p>Monetary Value of the transactions during the Financial Year 2020-21 is Rs. 17,12,319/- (Sales) & Rs. 25,02,015/- (Purchase).</p> <p>Estimated Transaction Value for the Financial Year 2021 -22 is Rs. 1,00,00,000/-</p>
5	Any other relevant or important information for the Members	NA

In terms of provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transactions with VXL Software Solutions Private Limited are material in nature as these transactions are likely to exceed 10% of the annual turnover as per the last audited financial statements of the Company. Therefore, in terms of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transactions with the said related party require the approval of Members of the Company through an Ordinary Resolution.

The Company's best interests are always kept in mind by your Directors considering the various criteria including prices, proximity, quality, uninterrupted supply or purchase of goods and availing services and other advantages of the reliability.

Except Ms Shruti Bhawania, being related party, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 8 of the notice for approval by the Members.

By Order of the Board
For VXL Instruments Limited

Place: Bangalore
Date: 26.08.2021

Roopa Hegde
Company Secretary & Compliance Officer
Membership No.: ACS 61939
Address: SF5, Elegant Elite, 1st Cross,
2nd Main, Sundaram Shetty Nagar,
Vijaya Bank Layout, Bannerghatta Road,
Bangalore-560076

ANNEXURE TO NOTICE

Information pertaining to Director seeking appointment and re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings:

Particulars	Details				
Name	Mr. M V Shetty	Ms. Shruti Bhuwania	Ms. Anita Jaiswal	Ms. Hema Thakur Kiran	Mr Radhakrishna Kunjilal Saraswat
DIN	00515711	06630867	08485642	01363454	00015095
Date of Birth	07.03.1952	21.10.1975	12.10.1986	08.05.1954	17.04.1938
Date of Appointment	01.10.2010	10.07.2021	29.07.2021	29.07.2021	NA
Qualifications	Master of Technologies	Bachelor of Commerce from Amaravati University	1. Company Secretary from Institute of Company Secretaries of India(ICSJ) 2. LLB from Jitendra Chauhan College of Law (Mithibai campus)		1. Bachelor of Commerce 2. Fellow Member of the institute of Chartered Accountants of India
Expertise in specific functional area	Thin Client Technology	Finance, Accounts, Software and Administrative	Secretarial, Legal Compliances, Finance, Accounts	Finance, Accounts and Banking	Corporate Finance, Accounts and Tax
Directorships held in other public Companies (excluding foreign companies)	Nil	Nil	Sangam Renewable Limited_ Independent Director	Eurotex Industries and Exports Limited Independent Director	1. Datamatics Global Services Limited – Independent Director 2. Priya International Limited Independent Director 3. Priya Limited-Independent Director 4. Lumina Datamatics Limited - Independent Director

Membership/ Chairmanships of Committees of other public companies (included only Audit and Stakeholder' Relationship/ Investors Grievance Committee)	Nil	Nil	Yes Member of Audit, Nomination and Remuneration and Stakeholders Relationship Committee of Sangam Renewable Limited	Yes Member of Audit and Nomination and Remuneration Committee of Eurotex Industries and Exports Limited	Yes 1. Priya Limited - Chairman of Audit Committee, Member of Nomination and Remuneration Committee and Stakeholders' Relationship Committee
No. of Board Meetings attended during the year	4	NA	NA	NA	NA
No. of Shares held in the Company	29,920 Equity Shares	Nil	Nil	Nil	Nil
Relationship with other Directors	Nil	Nil	Nil	Nil	Nil

By Order of the Board
For VXL Instruments Limited

Roopa Hegde
Company Secretary & Compliance Officer
Membership No.: ACS 61939
Address: SF5, Elegant Elite, 1st Cross,
2nd Main, Sundaram Shetty Nagar,
Vijaya Bank Layout, Bannerghatta Road,
Bangalore-560076

Place: Bangalore
Date: 26.08.2021

BOARD'S REPORT

Your Directors have pleasure in presenting the 35th (Thirty Fifth) Annual Report and Audited Financial Statements for the financial year ended 31st March, 2021 together with the Independent Auditor's Report.

1. FINANCIAL RESULTS
(Rs. in Lakhs)

Particulars	2020-21	2019-20
Gross Income	778.60	1960.02
Profit/(Loss) Before Interest and Depreciation	(309.91)	78.58
Finance Charges	46.56	90.01
Gross Profit	226.78	665.58
Provision for Depreciation	66.81	84.36
Profit (Loss) before exceptional and extraordinary items and tax	(423.28)	(95.79)
Exceptional Items	319.84	(0.25)
Provision for Tax	123.47	0
Net Profit (Loss) After Tax	(226.91)	(96.04)
Other Comprehensive Income	0.37	(4.89)
Total Comprehensive Income	(227.28)	(100.93)
Total Comprehensive Income Attributable to		
a) Owners	0	0
b) Non-Controlling Interest	0	0
Earnings per Equity Share of Rs. 10/- each	(1.71)	(0.76)
Basic	(1.71)	(0.76)
Diluted	(1.71)	(0.76)
Proposed Dividend on Equity Shares	0	0
Tax on proposed Dividend	0	0

2. PERFORMANCE OF THE COMPANY:

Last year was a very tough year for your Company due to Covid 19. Increased competition in the export market resulted in substantial reduced revenue. Reduction in sales affected the profitability. Last year, the Company achieved a Turnover of Rs. 778.60 Lakhs substantially lower than the financial year 2019-2020. Devastating effect of Covid 19 on the economy was felt on the business of the company as well. As you are aware, the lock down was declared on the 26th of March, 2020. R&D staff was directed to work from home. Factory workers were asked to attend whenever they were allowed by the Government. Same strategy was followed throughout the year. Your Board is pleased to inform that the Company could deliver all the orders that were received on time. R&D also could deliver software on time. New product called FSD was also released. Despite the hardships, the Company tried best to look after the well being of employees.

The business losses, economic ramifications which arose due to Lockdown are being estimated.

FUTURE PROSPECTS

Demand for thin clients is expected to witness high growth in the coming years due to the reduced cost and energy consumption, easy and centralized manageability and increased infrastructure security associated with these devices. Rising requirement of cost savings resulting from lower cost of ownership in enterprises is expected to drive the thin client market. Further, thin clients being the end points of cloud access, growth in cloud-based market will positively impact thin clients as well.

The demand for thin clients is increasing in banks, health care and education sectors. Enterprises are looking for the devices that would reduce the desk space and offer an easy replacement option for old systems. The thin clients qualify these requirements which in turn are increasing the demand in these industries.

Latest software offering, FSD is aimed at converting corporate laptops deployed at home to thin clients. This is ideally suited for work from home environment. Government's push for Make in India should also boost sales. Quick delivery and installation and preference of the users to our software offering are expected to push the demand for thin clients.

3. RESERVES:

In view of the losses, the question of transferring any amount to Reserves does not arise.

4. SHARE CAPITAL:

There were no changes in the Share Capital of the Company during the financial year.

Capital structure remained as follows:

Authorized Share Capital—Rs. 15,00,00,000/- divided into 1,50,00,000 Equity Shares of Rs. 10/- each.

Issued Share Capital—Rs. 13,35,00,000/- divided into 1,33,50,000 Equity Shares of Rs. 10/- each fully paid.

Paid up Share Capital—Rs. 13,32,48,000/- divided into 1,33,24,800 Equity Shares of Rs. 10/- each fully paid.

Disclosure regarding Issue of Equity Shares with Differential Voting Rights

During the financial year under review, the Company has not issued Shares with Differential Voting Rights.

Disclosure regarding issue of Employee Stock Options

During the financial year under review, the Company has not issued Shares under Employee Stock Options.

Disclosure regarding issue of Sweat Equity Shares

During the financial year under review, the Company has not issued Sweat Equity Shares.

5. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There were no material changes and commitments which occurred, between the end of the financial year and the date of the Report, which affect the financial position of the Company.

6. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no material changes after 31st March, 2021 till the signing of this Report

7. CHANGE IN NATURE OF BUSINESS:

There were no changes in the nature of business during the year under review as prescribed in Rule 8(ii) of the Companies (Accounts) Rules, 2014.

8. DIVIDEND:

Whilst your Directors understand the sentiments of the Investors, the financial year that has passed, do not enable the Board to recommend any Dividend. The Board regrets its inability to recommend any Dividend.

However, the Directors will strive hard to bring the Company back to Dividend track before long and the improving performance of the Company is hoped to continue to facilitate consideration of Dividend in the days to come.

9. BOARD MEETINGS:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. Additional Meetings of the Board of Directors are held when necessary.

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

The Board of Directors duly met Four (4) times during the financial year on 30th June 2020, 30th July 2020, 10th November, 2020 and 3rd February, 2021.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Composition of the Board and Key Managerial Personnel is as follows:

Sl. No.	Name	Designation	DIN
1.	Mr. Vittal Mangalore Shetty	Whole Time Director	00515711
2.	Mr. Vivek Gupta	Non-Executive, Independent Director	00025519
3.	Mr. Rakesh Shridas Damani	Non-Executive, Independent Director	07580652
4.	*Mrs. Mini Bhuwania	Non- Executive, Non-Independent Director	08640692
5.	**Mr. Mahesh Kumar K V	Chief Financial Officer	NA
6.	***Mrs. Roopa Hegde	Company Secretary and Compliance Officer	NA

*Mrs. Mini Bhuwania appointed as an Additional Director on 30th July, 2020 and subsequently appointed as Woman Non- Independent & Non- Executive Director at the Annual General Meeting held on 18th December, 2020.

**Mr. Kishan S Rao resigned from the office of Chief Financial Officer w.e.f. 2nd January, 2021 and Mr. Mahesh Kumar K V was appointed as Chief Financial Officer w.e.f 3rd February, 2021.

***Ms. Shipra Vyas resigned from the office of Company Secretary and Compliance Officer w.e.f. 5th October, 2020 and Mrs. Roopa Hegde was appointed as Compliance Officer w.e.f 12th October, 2020 and designated as Company Secretary and Compliance Officer of the Company w.e.f. 10th November, 2020.

In terms of the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vittal Mangalore Shetty, Whole Time Director (holding DIN: 00515711), retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. Approval by way of Special Resolution is sought from the Shareholders, for continuation of Mr. Vittal Mangalore Shetty, as Whole Time Director, who will attain the age of 70 years during the Financial Year 2021 - 22.

11. INDEPENDENT DIRECTORS:

As required by the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019, Mr. Vivek Gupta and Mr. Rakesh Shridas Damani have registered their names in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs. Annual Declarations received from both of them for the year 2020-21 contain affirmations regarding registrations in the data bank.

Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2018 ("the Listing Regulations") has changed the evaluation criteria of Independent Directors from April 1, 2019. As per the amendment, evaluation of Independent Directors by the entire Board shall include:

- (a) Performance of Directors and
- (b) Fulfilment of independence criteria as specified in the Listing Regulations, and their independence from the management.

Board has evaluated the Independent Directors and confirms that Mr. Vivek Gupta and Mr. Rakesh Shridas Damani fulfilled the independence criteria as specified in the Listing Regulations and their independence from the management.

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations (**Annexure I**).

Details on terms of appointment of Independent Directors and the familiarization program have been displayed on website of the Company at <https://www.vxl.net/investors/independent-directors>

12. COMMITTEES OF THE BOARD :

Currently, the Board has three (3) Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. A detailed note on the composition Committees and other related particulars are provided in the Report on Corporate Governance forming part of this Report.

As on 31st March, 2021, the Committees comprised as follows:

AUDIT COMMITTEE:

- a) Mr. Vivek Gupta - Chairman
- b) Mr. Rakesh Shridas Damani - Member
- c) Mr. Vittal Mangalore Shetty - Member

NOMINATION AND REMUNERATION COMMITTEE:

- a) Mr. Vivek Gupta - Chairman
- b) Mr. Rakesh Shridas Damani - Member
- c) Mrs. Mini Bhawania - Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

- a) Mr. Vivek Gupta - Chairman
- b) Mr. Rakesh Shridas Damani - Member
- c) Mr. Vittal Mangalore Shetty - Member

13. NOMINATION AND REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a Policy for selection and appointment of Directors, Senior Management and for other employees and their remuneration. The same has been disclosed on the website of the Company at <https://www.vxl.net/investors/nomination-remuneration-policy>. The Composition, criteria for selection of Directors and the terms of reference of the Nomination and Remuneration Committee is stated in the Corporate Governance Report.

14. RISK MANAGEMENT POLICY:

The Company has not yet formulated a Risk Management Policy and has in place a mechanism to inform the Board/Audit Committee Members about risk assessment and minimization procedures and undertakes periodical review to ensure that executive management controls risk by means of a properly designed framework.

15. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has established an effective Vigil Mechanism pursuant to the provisions of Sections 177(9) and (10) of the Companies Act, 2013 and as per Regulation 4(2)(d)(iv) of the Listing Regulations which is available on website of the Company at <http://www.vxl.net/percheditor/resources/vxlwhistleblowerpolicy> and there were no cases reported during the period under review.

16. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY:

The Company has not given any loan or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

17. DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134(3)(c) of the Companies Act, 2013, the Directors hereby confirm that:

- a) In the preparation of the Financial Statements, 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 Financial Statements on a going concern basis;
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively, and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. ANNUAL RETURN:

As required under Section 92(3) of the Companies Act, 2013 and rule 12 of the Companies (Management and Administration) Rules, 2014 read with Companies Amendment Act, 2020, an annual return in MGT-7 is placed in the website of the Company i.e. <https://www.vxl.net/investors/disclosures>.

19. STATUTORY AUDITORS:

Messrs YCRJ & Associates, Chartered Accountants (ICAI Firm Registration No. 006927S) were appointed as the Statutory Auditors of the Company for a period of 5 (Five) years from the conclusion of the 31st Annual General Meeting up to the conclusion of the 36th Annual General Meeting.

As per the Companies (Amendment) Act, 2017 and Rules made there under, with effect from 7th May, 2018, the Central Government notified the omission of the requirement related to ratification of appointment of Statutory Auditors by Members at every Annual General Meeting. Accordingly, the Resolution for ratification has not been placed before the Members.

QUALIFICATIONS IN THE AUDIT REPORT:

There were no qualifications or observations by the Auditors in their Audit Report.

20. SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Vijayakrishna KT, Bengaluru, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor in the form of MR-3 is annexed to this Report as **Annexure - II**.

Explanations by the Board on the comments of Secretarial Auditors:

Sl. No.	Comments made by the Secretarial Auditor	Explanations by the Board
a.	There was a marginal delay in uploading the Outcome of Board Meeting held on 30.07.2020 due to some technical issues faced by the Company.	Due to technical difficulty faced by the Company at the time of filing with Stock Exchange, there was a marginal delay in filing of the outcome of the Board Meeting held on 30.07.2020. The Company will always endeavour to strictly comply with all the applicable Laws and Regulations.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**(A) Conservation of energy:**

Steps taken / impact on conservation of energy,	The Company's operations are not power intensive. Nevertheless, your Company has introduced various measures to conserve and minimize the use of energy wherever it is possible.
(i) Steps taken by the company for utilizing alternate sources of energy including waste generated	Nil
(ii) Capital investment on energy conservation equipment	Not Applicable
Total energy consumption and energy consumption per unit of production as per Form A	Not Applicable

(B) Technology absorption:

Efforts in brief, made towards technology absorption, adaptation and innovation	Not Applicable
Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	Not Applicable
In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	Not Applicable
Technology imported	Not Applicable
Year of Import	Not Applicable
Has technology been fully absorbed	Not Applicable
If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	Not Applicable

(C) Research and Development (R&D)

Specific area in which R & D carried out by the company	Research & Development Expenditures in respect of Development of Thin Client Embedded Operating Systems
Benefits derived as a result of the above R & D	Not Applicable
Future plan of action	Not Applicable
Expenditure on R & D	
(a) Capital	Nil
(b) Recurring	Nil
(c) Total	Nil
(d) Total R & D expenditure as a percentage of total turnover	Nil

(D) Foreign exchange earnings and Outgo

Activities relating to exports	Company is under Export Oriented Unit & focus mainly on Export.
Initiatives taken to increase exports	We are putting continuous efforts to increase Export and recapture of Export market.
Development of new export markets for products and services	Efforts are on to develop new Export market.
Export plans	Efforts are on to develop new Export market.
Total Exchange used (Cash basis)	As on 31 st March, 2021: Rs. 8,684/-
Total Foreign Exchange Earned (Accrual Basis)	As on 31 st March, 2021: Rs. 25,66,300/-

22. DEPOSITS:

Your Company has not invited/accepted/renewed any deposits from public as defined under the provisions of Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 and accordingly, there were no deposits which were due for repayment on or before 31st March, 2021.

23. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company continued to maintain, high standards of internal control designed to provide adequate assurance on the efficiency of operations and security of its assets. The adequacy and effectiveness of the internal control across various activities, as well as compliance with laid-down systems and policies are comprehensively and frequently monitored by your Company's management at all levels of the organization. The Audit Committee, which meets at least four times a year, actively reviews internal control systems as well as financial disclosures with adequate participation, inputs from the Statutory, Internal and Corporate Secretarial Auditors.

The Directors have laid down internal financial controls to be followed by the Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

24. MATERIAL ORDER PASSED BY ANY COURT OR REGULATOR OR TRIBUNAL IMPACTING GOING CONCERN STATUS OF COMPANY:

No order was passed by any court or tribunal during the period under review which impacts going concern status of the Company.

However, your Company had filed the application for Condonation of delay under Section 460(b) of the Companies Act, 2013 in filing E-Form MGT-14 in respect of filing Special Resolution passed through postal ballot on 30.08.2018 for sell, lease or dispose off the undertaking under Section 180 of the Companies Act, 2013. The Ministry of Corporate Affairs had issued the order for the same on 23rd October, 2020.

25. RELATED PARTY TRANSACTIONS (RPTs):

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. Web link for the same is <https://www.vxl.net/investors/disclosures>. Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC- 2 annexed to this Report as **Annexure - III**.

26. HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

Your Company recognizes the critical significance of competent and experienced employees. The team VXL Instruments continued to stand by the Company during tiring and tough times and your Board places its appreciation for these relentless efforts, untiring dedication and sense of belongingness exhibited by the employees at all levels. Your Company focuses on long term Human Resources planning aimed at managing change more efficiently, grooming internal talent for future roles and also driving efficiency within the Organization.

Certain cases relating to workmen, which were pending earlier have been resolved fully.

Industrial relations have been cordial and constructive, which have helped your Company to meet customers' demands.

27. DETAILS OF HOLDING COMPANY/SUBSIDIARIES/JV:

VXL Instruments Limited, UK, a Subsidiary Company was wound up by the Hon'ble High Court of Justice, Chancery Division, Companies Court, United Kingdom vide its Order dated 7th November, 2016. Further, to the Insolvency Proceedings under the Insolvency Act, 1986, VXL Instruments Limited, UK was dissolved on 11th March, 2018. Pursuant to this, the Company has requested permission from the Reserve Bank of India for writing off the Investments of £ 108,000 in the Joint Venture.

28. ANNUAL BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, Board Committees and individual Directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

29. CORPORATE SOCIAL RESPONSIBILITY:

Since the Company does not meet the criteria for the applicability of Section 135 of the Companies Act read with the Companies (Accounts) Rules, 2015, the same is not applicable.

30. RATIO OF REMUNERATION TO EACH DIRECTOR:

Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1)(2)(3) of the Companies (Appointment and Remuneration) Rules, 2014, details/disclosures of Ratio of Remuneration to each Director to the median employee's remuneration is annexed to this report as **Annexure-IV**.

31. LISTING WITH STOCK EXCHANGE:

The Company confirms that it has paid the Annual Listing fees for the Financial Year 2021-22 to BSE Limited where the Company's Shares are listed.

32. CORPORATE GOVERNANCE AND SHAREHOLDERS' INFORMATION

A separate Report on Corporate Governance in terms of Regulation 34 of the Listing Regulations along with a Certificate from a Practicing Company Secretary regarding compliance to the conditions stipulated under Chapter IV of the Listing Regulations is attached to this report as **Annexure V**.

33. CAPITAL EXPENDITURE:

As on 31st March, 2021, the gross tangible and intangible assets stood at Rs. 1,69,27,891/- and the net tangible and intangible assets at Rs. 35,15,819/-. Additions during the financial year amounted to Rs. 1,16,827/-. The Company has not purchased any assets under lease.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is a summary of sexual harassment complaints received and disposed off during the Financial Year 2020-21:

No. of complaints received: NIL

No. of complaints disposed off: NIL

35. MANAGEMENT DISCUSSION AND ANALYSIS:

ECONOMIC SCENARIO AND OUTLOOK

The Year 2021-22 continues to have a lot of uncertainties due to COVID- 19 situation. It has created alarming issues for mankind and businesses. Never in the history has anyone seen such an unprecedented nature of a global pandemic. The silver lining is the robust vaccination drive which will hopefully bring the pandemic under control.

The supply chain is disrupted, its suppliers' and customers' facilities are not fully operational. There is a global shortage of semiconductor chips and it is expected to last for at least 1 year as we write this report.

This is a year of unpredictability for all the businesses and your Company is no exception to it. However, the Company has the inherent ability and resilience to act and respond to the ever-changing external developments from time to time.

INDUSTRY OUTLOOK AND OPPORTUNITIES

IIP & PMI have historically been good indicators for business sentiments in Capital Goods Order Intake. The forecast for both IIP and PMI is significantly down. This is expected to have a large-scale impact on the Company's performance in future. India had witnessed the COVID 19 on an already subdued economic scenario and this has made matters worse.

However, the Company has new work from home software solution, FSD is the need of the hour and will be well accepted by customers. Moreover, customers are adopting cloud computing at a fast pace. This will also help our business.

In the long term, the Government spending on Railways, Defence and Infrastructure, and the FDI investments in various other sectors will have positive impact on your company's prospects.

36. DISCLOSURE REQUIREMENTS:

As per the Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon and Management Discussion and Analysis are attached, which forms part of this report. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India from time to time and that such systems are adequate and operating effectively.

37. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company had met on 3rd February, 2021 during the year to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Non-Executive Directors and other items as stipulated under the Listing Regulations. The Independent Directors have also declared their independence.

38. MEETING OF INDEPENDENT DIRECTORS:**RECEIPT OF ANY COMMISSION BY MD / WTD FROM A COMPANY OR FOR RECEIPT OF COMMISSION / REMUNERATION FROM ITS HOLDING OR SUBSIDIARY:**

No Director has received any commission from your Company.

39. DISCLOSURE RELATING TO REMUNERATION OF EMPLOYEES:

There are no employees receiving remuneration more than Rs. 1,02,00,000/- (Rupees One Crore Two Lakhs only) per annum and /or Rs. 8,50,000/- (Rupees Eight Lakhs Fifty Thousand only) per month. Therefore, statement/disclosure pursuant to Sub Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required.

There are no employees posted and working in a country outside India, not being Directors or relatives, drawing more than Rs. 60,00,000/- (Rupees Sixty Lakhs only) per financial year or Rs. 5,00,000/- (Rupees Five Lakhs only) per month as the case may be.

Therefore statement/disclosure pursuant to Sub Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be circulated to the members and is not attached to the Annual Report.

40. INVESTORS' EDUCATION AND PROTECTION FUND:

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed Dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the Rules, the Shares on which Dividend has not been paid or claimed by the Shareholders for seven consecutive years or more shall also be transferred to the Demat account of the IEPF Authority.

During the year under review there were no unpaid or unclaimed amounts required to be transferred to IEPF account.

41. REPORTING OF FRAUD:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013. Further, no case of Fraud has been reported to the Management from any other sources.

42. COMPLIANCE WITH THE APPLICABLE SECRETARIAL STANDARDS:

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

43. MAINTENANCE OF COST RECORDS:

The Company has maintained the Cost Records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013.

44. REVISION OF FINANCIAL STATEMENT OR THE REPORT:

As per the Secretarial Standards-4 in case the company has revised its financial statement or the Report in respect of any of the three preceding financial years either voluntarily or pursuant to the order of a judicial authority, the detailed reasons for such revision shall be disclosed in the Report of the year as well as in the Report of the relevant financial year in which such revision is made.

In your Company there is no revision of Financial Statement took place in any of the three preceding financial years under consideration.

45. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):

There is no such process initiated during the year, therefore the said clause is not applicable to the Company.

46. FAILURE TO IMPLEMENT ANY CORPORATE ACTION:

No such events took place during the year under consideration.

47. CREDIT RATING OF SECURITIES:

Your Company has not obtained any rating from the credit rating agency for the securities during the year. Therefore, the said clause is not applicable to the Company.

48. ACKNOWLEDGEMENTS:

The Directors place on record their appreciation for valuable contribution made by employees at all levels, active support and encouragement received from the Government of India, Government of Maharashtra, Government of Karnataka, Company's Bankers, Customers, Principals, Business Associates and other Acquaintances.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Your Directors recognize the continued support extended by all the Shareholders and gratefully acknowledge with a firm belief that the support and trust will continue in future also.

For and on behalf of the Board of Directors of
VXL Instruments Limited

Place: Bangalore
Date: 28.06.2021

Mini Bhuwania
Director
DIN: 08640692
Address: 8, Edmunds Walk,
London, N2, 0HU,
United Kingdom

M. V. Shetty
Whole-Time Director
DIN: 00515711
Address: No 317, 5th Main,
1st Block, Koramangala,
Bangalore-560 034

ANNEXURE I

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
VXL Instruments Limited
Mumbai

Dear Sirs,

We undertake to comply with the conditions laid down under Section 149 and Schedule IV of the Companies Act, 2013 read with the provisions of Listing Regulations in relation to conditions of independence and in particular:

- 1) Apart from receiving director's remuneration/sitting fees/commission, or having transaction not exceeding ten per cent of my total income or such amount as may be prescribed by the Company, I have or had no material relationship with the Company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the immediately preceding two financial years or during the current financial year;
- 2) None of my relatives:
 - a) has or had any pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lakhs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year.
 - b) is holding any security of or interest in the Company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year of face value not exceeding Rs. 50 lakhs or 2 % of the paid-up capital of the Company, its holding, subsidiary or associate company or such higher sum as may be prescribed;
 - c) is indebted to the Company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - d) has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters, or directors of such holding company; for an amount of Rs. 50 lakhs during the current financial year
 - e) has any other pecuniary transaction or relationship with the Company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (b), (c) or (d);
- 3) Neither I nor any of my relatives:
 - a) holds or held the position of a key managerial personnel or is or has been an employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed.
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of:
 - i) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or
 - ii) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

VXL Instruments Limited

- c) holds together with my relatives two per cent or more of the total voting power of the listed entity; or
 - d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts or corpus from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the Company;
 - e) is a material supplier, service provider or customer or a lessor or lessee of the listed entity;
- 4) I meet the criteria of other qualifications as prescribed under Rule 5 of the (Companies Appointment and Qualification Rules), 2014.
- 5) I am not less than 21 years of age.
- 6) I am not a non-independent director of another company on the board of which any non-independent director of the listed entity as an independent director
- 7) I have registered with the Independent Directors Data Bank maintained by Indian Institute of Corporate Affairs on the <https://www.independentdirectorsdatabank.in>.
- 8) I affirm to make an application for renewal for a further period of one year or five years or for the life-time, within a period of thirty days from the date of expiry of the period up to which my name was applied for inclusion in the data bank.

Vivek Gupta
Independent Director
DIN - 00025519

Rakesh Shridas Damani
Independent Director
DIN - 07580652

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2021

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

To
 The Members
 VXL INSTRUMENTS LIMITED
 (CIN: L85110MH1986PLC272426)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VXL INSTRUMENTS LIMITED (CIN: L85110MH1986PLC272426) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by VXL Instruments Limited for the financial year ended on 31.03.2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI')
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015('Listing Regulations');
 - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
 - (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (i) Circulars/Guidelines issued there under;

- (vi) There are no specific laws applicable to the Company pursuant to the business carried by the Company.
- (vii) The other general laws as may be applicable to the Company including the following:

(1) Employer/Employee Related laws & Rules:

- i. Industries (Development & Regulation) Act, 1951
- ii. The Factories Act, 1948
- iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
- iv. The Apprentices Act, 1961
- v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
- vi. The Employees State Insurance Act, 1948
- vii. The Workmen's Compensation Act, 1923
- viii. The Maternity Benefits Act, 1961
- ix. The Payment of Gratuity Act, 1972
- x. The Payment of Bonus Act, 1965
- xi. The Industrial Disputes Act, 1947
- xii. The Trade Unions Act, 1926
- xiii. The Payment of Wages Act, 1936
- xiv. The Minimum Wages Act, 1948
- xv. The Child Labour (Regulation & Abolition) Act, 1970
- xvi. The Contract Labour (Regulation & Abolition) Act, 1970
- xvii. The Industrial Employment (Standing Orders) Act, 1946
- xviii. Equal Remuneration Act, 1976
- xix. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979
- xx. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- xxi. Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996
- xxii. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013
- xxiii. Dangerous Machines (Regulation) Act, 1983
- xxiv. Indian Boilers Act, 1923
- xxv. The Industrial Establishments (National and Festival Holidays) Act, 1963
- xxvi. The Labour Welfare Fund Act, 1965
- xxvii. The Karnataka Daily Wage Employees Welfare Act, 2012
- xxviii. For majority of Central Labour Laws the respective States have introduced Rules [names of each of the Rules is not included here]

(2) Environment Related Acts & Rules:

- i. The Environment Protection Act, 1986
- ii. The Water (Prevention & Control of Pollution) Act, 1974
- iii. The Air (Prevention & Control of Pollution) Act, 1981
- iv. Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.

3) Economic/Commercial Laws & Rules:

- i. The Competition Act, 2002
- ii. The Indian Contract Act, 1872
- iii. The Sales of Goods Act, 1930
- iv. The Forward Contracts (Regulation) Act, 1952
- v. The Indian Stamp Act, 1899
- vi. The Transfer of Property Act, 1882

I have also examined compliances with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS – 2.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above as may be applicable during the year under review.

Certain non material findings made during the course of the audit relating to the provisions of Companies Act, Secretarial Standards, Labour Laws and SEBI (LODR) Regulations which were addressed suitably by the Management comprises the following:

1. There was a marginal delay in uploading the Outcome of Board Meeting held on 30.07.2020 due to some technical issues faced by the Company.

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such instance.

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

I further report that I could not physically verify few documents/registers/returns due to Lockdown situation in relation to outbreak of Pandemic Covid-19 and I have relied up on the soft copies/information shared with me.

Place: Bangalore
Date: 28.06.2021

Vijayakrishna K T
Company Secretary
FCS: 1788 CP: 980
UDIN: F001788C000530162

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

'Annexure'

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial Records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Central Excise Act, Customs Act, and GST Act.
4. Wherever required, the Company has represented about the compliances of laws, rules and regulations and happenings of events etc. as applicable from time to time.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My 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.

Place: Bangalore
Date: 28.06.2021

Vijayakrishna K T
Company Secretary
FCS: 1788 CP: 980
UDIN: F001788C000530162

FORM No. AOC.2

ANNEXURE III

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

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

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

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

Sl. No.	Particular	Details				
1	Name(s) of the related party and nature of relationship	Priya Limited	Brent Properties Investment Private Limited	Delta Technologies Ltd	VXL Software Pvt Ltd	Mr Rishabh Shetty
2	Nature of contracts /arrangements /transactions	Purchases, Sales and Services	Leave and License Agreement	Purchases, Sales and Services	Purchases, Sales and Services	Remuneration
3	Duration of the contracts/ arrangements /transactions	Ongoing - based on periodical requirements	Ongoing - based on rental agreement	Ongoing - based on periodical requirements	Ongoing - based on periodical requirements	Ongoing
4	Salient terms of the contracts or arrangements or transactions	Based on Orders procured by Priya Ltd Domestic Annual Maintenance Contracts, service of thin clients are carried out through Priya Limited.	Taking of premises on rental basis for official purpose situated at Unit No. 252, 5th Floor, Building No. 2, Solitaire Corporate Park, Village Chakala, Andheri Kurla Road, Andheri(E) Mumbai-400 093 on the terms and conditions set out in the Leave and License Agreement.	Based on Orders procured by Delta Technologies Ltd. Overseas Sale of thin clients, Sale of software are carried out through Delta Technologies Ltd.	Based on Orders procured by VXL Software Pvt Ltd Domestic Annual Maintenance Contracts, service of thin clients, Sale of software are carried out through VXL Software Pvt Ltd	Mr. Rishab Shetty, son of Mr. M.V. Shetty, Whole - Time Director is employed with the company as 'Sr. Software Engineer'
5	Value of transactions	Transaction value for the previous Financial Year 2020-21 (Rs.) 48,196/-	Transaction value for the previous Financial Year 2020-21 (Rs.) 14,08,875/-	Transaction value for the previous Financial Year 2020-21 (Rs.) 2,41,33,675/-	Transaction value for the previous Financial Year 2020-21 (Rs.) 17,12,319/- (Sales) & (Rs) 25,02,015/- (Purchase)	Transaction value for the previous Financial Year 2020-21 (Rs.) 7,18,488/-
		Estimated Transaction Value for the Financial Year 2021-22 (Rs.) 10,00,000/-	Estimated Transaction Value for the Financial Year 2021-22 (Rs.) 12,00,000/-	Estimated Transaction Value for the Financial Year 2021-22 (Rs.) 3,00,00,000/-	Estimated Transaction Value for the Financial Year 2021-22 (Rs.) 1,00,00,000/-	Estimated Transaction Value for the Financial Year 2021-22 (Rs.) 10,00,000/-
6.	Date(s) of approval by the Board	30 th June, 2020				
7.	Amount paid as advances	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors of
VXL Instruments Limited

Place: Bangalore
Date: 28.06.2021

Mini Bhuwania
Director
DIN: 08640692
Address: 8, Edmunds Walk, London,
N2, 0HU, United Kingdom

M. V. Shetty
Whole-Time Director
DIN: 00515711
Address: No 317, 5th Main, 1st
Block, Koramangala Bangalore-
560 034

THE RATIO OF THE REMUNERATION OF EACH DIRECTOR

<u>Requirements</u>	<u>Disclosures</u>
(i) The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year;	Whole-Time Director Mr. M. V. Shetty 9.95 : 1
(ii) The percentage increase in aggregate remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or manager, if any, in the Financial Year;	Whole-Time Director: Nil % CFO & Company Secretary: Nil%
(iii) The percentage increase in the median remuneration of employees in the Financial Year;	-15.31%
(iv) The number of permanent employees on the rolls of Company as on 31/03/2021	As on 31 st March 2021 50 Members
(v) The explanation on the relation between average increase in remuneration and company performance	Increase in remuneration is based on the industrial standard and experience of each employees.
(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Remuneration paid to Key Managerial Personnel is based on remuneration policy of the company
(vii) Variations in the market capitalisation of the Company, price earning ratio as at closing date of the current Financial Year and previous Financial Year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last Public Offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the current Financial Year and previous Financial Year;	There is no material variation in the share price
(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	This is as per the company's increment guidelines

(ix) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	This is as per the company's increment guidelines.
(x) The key parameters for any variable component of remuneration availed by the Directors;	NA
(xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year;	NA
(xii) Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes

For and on behalf of the Board of Directors

Place: Bangalore
Date : 28.06.2021

Mini Bhuwania
Director
DIN: 08640692
Address: 8, Edmunds Walk, London,
Block, N2, 0HU, United Kingdom

M. V. Shetty
Whole-Time Director
DIN: 00515711
Address: No 317, 5th Main, 1st Block,
Koramangala Bangalore - 560 034

REPORT ON CORPORATE GOVERNANCE

1. A BRIEF STATEMENT ON COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company continued to firmly be committed to adopting and adhering to all globally recognized corporate governance concepts and practices. The Company strives to meet the expectations of its stakeholders on matters related to transparency, integrity, accountability and trusteeship, on a continuous basis.

The Company has adhered to Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

2. BOARD OF DIRECTORS:

The Company currently has 4 (four) Directors comprising of 1 (One) Executive Director, 1 (one) Woman Non-executive non independent Director and 2 (Two) Non-Executive Independent Directors.

As at the financial year ended March 31, 2021, the Board of Directors of the Company comprised of optimum combination of Executive and Non-Executive Directors including a Woman Director.

After due circulation of agenda and notes thereon, the Board of Directors has met at reasonable periods of intervals to transact business on various Board's functions, responsibilities and accountabilities. Compliances of various Laws and Regulations along with the Corporate Philosophy, goal, plans and strategies have been dwelt at length by the Board at its various proceedings.

The Board of Directors confirms that all the Independent Directors of the Company are in compliance with the Companies Act, 2013 and also, they fulfill the conditions specified under the Listing Regulations and are Independent of the Management of the Company.

The details of the Directors' attendance at the Meetings of the Board of your Company during the financial year ended 31st March, 2021 are exhibited below:

Name of Directors	DIN	Category of Directorship	Inter-se relationship	No. of Board Meetings attended	Whether attended last AGM	No. of Directorship in other Companies incorporated in India	No. of Committee membership, Members/ Chairman in other Companies in India	Names of the listed entities where the person is a director and Category
Mr. Vittal Mangalore Shetty	00515711	Whole-Time Director	Nil	4	Yes	0	Nil	Nil
Mr. Vivek Gupta	00025519	Independent & Non Executive	Nil	4	Yes	3	Nil	Nil
*Mrs. Mini Bhuwania	08640692	Non- Independent & Non- Executive	Nil	1	No	1	Nil	Priya Limited- Non- Executive - Non Independent
Mr. Rakesh Shridas Damani	07580652	Independent & Non Executive	Nil	4	Yes	1	Nil	Nil

Notes:

*Mrs. Mini Bhuwania appointed as Additional Director on 30th July, 2020 and subsequently appointed as Non- Independent & Non- Executive Director at the Annual General Meeting held on 18th December, 2020.

There was a change in designation of Mrs. Kumkum Bhuwania from Independent Director to Non-Independent Director of the Company with effect from 4th May, 2020 and further, she resigned from the office of Non-Executive Director of the Company from the closure of business hours of 15th June, 2020. Her resignation was due to personal reasons i.e., preoccupation and not able to devote sufficient time to the Company and there is no other material reason for her resignation which is in pursuance of Regulation 30 read with Clause (7B) of Schedule III Part A of the Listing Regulations.

The Company has issued letters of appointment to all the Independent Directors as per Schedule IV to the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company at <https://www.vxl.net/investors/independent-directors>.

The Company had during the financial year, conducted Familiarization program for Independent Directors of the Company and the details of such familiarization programs are disseminated on the website of the Company at <https://www.vxl.net/investors/disclosures>.

As required by law, brief profiles and other particulars of the Directors seeking appointment/re-appointment are given in the Notice convening the 35th Annual General Meeting.

SHARES HELD BY NON-EXECUTIVE DIRECTORS:

The Non-Executive Directors as on 31st March, 2021, who held Shares in the Company, are as under:

Name of Directors	Number of Shares held
Mr. Vivek Gupta	Nil
Mr. Rakesh Shridas Damani	Nil
Mrs. Mini Bhuwania	Nil

Skills, Expertise and Competence of the Board of Directors

The following are the list of core skills / expertise / competencies identified by the Board of Directors:

- 1) Knowledge on Company's businesses, policies and culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates;
- 2) Leading growth through acquisitions and other business combinations, with the ability to assess, analyze the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans
- 3) Business Strategy, Sales & Marketing, Management, Administration, Decision Making;
- 4) Knowledge about maintaining Board and management accountability, protecting shareholder interests, and governance practices
- 5) Financial and Management skills.
- 6) Technical / Professional skills and specialized knowledge in relation to Company's business.

Each Director's Skills / expertise / competencies as referred above in point nos.1 to 6:

Name of the Director	Areas of expertise					
	1	2	3	4	5	6
Mr. M. V. Shetty	✓	✓	✓	✓	✓	✓
Mr. Vivek Gupta	✓	✓	✓	✓	✓	✓
Mr. Rakesh Shridas Damani	✓	✓	✓	✓	✓	
Mrs. Mini Bhuwania	✓	✓	✓	✓	✓	✓

DETAILS OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings.

The Board of Directors duly met Four (4) times during the financial year on 30th June, 2020, 30th July, 2020, 10th November, 2020 and 3rd February, 2021.

The Board at its Meetings reviewed compliance reports prepared by the Company on quarterly basis.

On need basis, the Directors also considered and passed Resolutions by Circulation in full compliance with the applicable laws.

Compliance with the Code of Conduct for prevention of Insider Trading

The Code of Conduct for Prevention of Insider Trading pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and approved by the Board of Directors, *inter alia*, prohibits trading in securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company. The code of conduct is available on the website of the Company at <https://www.vxl.net/investors/disclosures>.

Independent Directors' Meeting:

During the financial year under review, the Independent Directors met on 3rd February, 2021, *inter alia*, to discuss:

- Evaluation of the performance of the Non-Independent Directors and the Board as a whole
- Evaluation of the quality, content and time lines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors viz., Mr. Vivek Gupta and Mr. Rakesh Shridas Damani were present at the Meeting.

3. AUDIT COMMITTEE:

The Audit Committee is responsible for overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment and removal of the Statutory and Internal Auditors, fixation of audit fees, the approval for payment for any other services and reviewing with the management the annual financial statements before submission to the Board.

During the financial year, there was a change in designation of Mrs. Kumkum Bhuwania from Independent Director to Non-Independent Director of the Company with effect from 4th May, 2020 and further, she resigned from the office of Non-Executive Director of the Company from the closure of business hour of 15th June, 2020.

In view of the above, the Audit Committee was re-constituted w.e.f. 16th June, 2020 comprising of Mr. Vivek Gupta, Chairman, Mr. Rakesh Shridas Damani and M. V. Shetty as Members of the Committee.

As on 31st March, 2021, the Audit Committee comprised of Mr. Vivek Gupta, Independent Director as Chairman, Mr. Rakesh Shridas Damani, Independent Director and Mr. M V Shetty, Whole Time Director as Members of the Committee.

Meetings and the attendance during the financial year

The Committee met 4 (Four) times during the financial year on 30th June 2020, 30th July 2020, 10th November 2020, and 3rd February, 2021.

The attendance of each Member of the Committee is stated below:

Name of Members	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Vivek Gupta	4	4
Mr. Rakesh Shridas Damani	4	4
Mr. M V Shetty	4	4

Chief Financial Officer, Internal Auditors and Statutory Auditors are invitees to the Meeting. Company Secretary of the Company acts as the Secretary to the Committee Meetings.

The terms of reference / role of the Audit Committee cover the matters specified for Audit Committees under Regulation 18 and Part C of Schedule II of the Listing Regulations (as amended) as well as the provisions of Section 177 of the Companies Act, 2013. The brief description of the terms of reference of the Audit Committee is given below:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- c) Approval of payment to the Statutory Auditors for any other services rendered by them;
- d) Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval,
- e) Reviewing, with the management, the quarterly Financial results before submission to the board for approval
- f) Reviewing the statement of significant related party transactions, if any
- g) Discussion with internal auditors of any significant findings

4. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board has constituted Nomination and Remuneration Committee.

Following are the terms of reference of the Committee inter alia, the following:

- a) Chairman: Chairman of the Committee shall be an Independent Director as may be elected by the members of the Committee.
- b) Quorum: Quorum for Meeting of the Committee shall be a minimum of two members provided one of them shall always be an Independent Director.
- c) Frequency of Meetings: The Committee may meet at such times as may be deemed necessary.
- d) Role: The Role of the Committee shall include inter-alia the following:
 - Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
 - Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every Director's performance;
 - Devising a Policy on Board diversity;
 - Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board for their appointment and removal.
 - Such other matters as may be prescribed under the Companies Act, 2013, listing agreement and by the Board of Directors of the Company from time to time.
 - Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- e) Invitees: The Committee may invite such executives of the Company and such other persons as it may consider appropriate.
- f) Secretary to the Committee: The Company Secretary shall be the Secretary of the Committee who shall flag actions and serve as executive support to the Committee.

Mrs. Mini Bhuwania appointed on 30th July 2020 and Mrs. Kumkum Bhuwania resigned w.e.f. 15th June, 2020

VXL Instruments Limited

As on 31st March, 2021, the Nomination and Remuneration Committee was comprised of the following Members:

- a) Mr. Vivek Gupta - Chairman
- b) Mr. Rakesh Shridas Damani - Member
- c) Mr. Vittal Mangalore Shetty - Member

The Committee met 3 (Three) times during the financial year on 30th June 2020, 30th July 2020 and 3rd February, 2021.

The attendance of each Member of the Committee is stated below:

Name of Members	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Vivek Gupta	3	3
Mr. Rakesh Shridas Damani	3	3
Mrs. Mini Bhuvania	2	1

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance and its Committee's and the Directors individually. A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc.,

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performances of the Committees were evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of Committees, effectiveness of Committee Meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India on January 5, 2017.

In a separate Meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in Meetings, etc.

At the Board Meeting that followed the Meeting of the Independent Directors and Meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

This Committee looks into redressing of Shareholders' complaints like non-transfer of Shares, non-receipt of Annual Report. As of 31st March, 2021, the Committee comprised of Mr. Vivek Gupta, Chairman, Mr. Rakesh Shridas Damani and Mr. M V Shetty as Members of the Committee.

The Committee met once during the financial year on 3rd February, 2021 and all the Members of this committee were present at the Meeting.

This Committee monitors and addresses investors complaints, transfer of Shares, transmission etc. based on the information provided by the Company's Registrars and Share Transfer Agents.

Based on information provided by the Company's Registrar & Share Transfer Agents, the status of investor's grievances for the financial year ended March 31, 2021 is as follows:

Particulars	Total No. of Complaints received	Complaints Pending
Direct	NIL	NIL
Through Stock Exchange/SEBI	NIL	NIL

COMPLIANCE OFFICER AND ADDRESS FOR CORRESPONDENCE:

Mrs. Roopa Hegde
 Company Secretary and Compliance Officer
 VXL Instruments Limited
 # 1783, Sector -1, Phoenix House
 19th Main, HSR Layout
 Bengaluru-560 102, Karnataka
 Telephone: 080-22589046
 Email:cs@vxl.net Web:www.vxl.net

The Company has fulfilled all the compliance requirements under Regulation 20 of the Listing Regulations (as amended) as regards the Stakeholders' Relationship Committee.

6. REMUNERATION OF DIRECTORS:

The Company has laid the criteria for making payments to the Non-Executive Directors. The details of such criteria are available on the website of the Company at <https://www.vxl.net/percheditor/resources/policy-criteria-for-making-payment-to-non-eexecutive-directors.pdf>.

The details of remuneration paid to the Directors during the financial year 2020-21 are stated below:

a. Executive Directors:

(Amount in Rs.)

Name	Salary	Fixed Commission	Perquisites	Sitting Fees	Total
Mr. M.V. Shetty	25,78,992	----Nil-	3,01,008	Nil-----	28,80,000
Total	25,78,992	----Nil-	3,01,008	Nil-----	28,80,000

b. Non-Executive Directors:

(Amount in Rs.)

Name	Sitting Fees	Commission
Mr.Vivek Gupta	78000	Nil
Mr. Rakesh Shridas Damani	78000	Nil
Mrs. Mini Bhuwania	12000	Nil
Total	1,68,000	Nil

Service Contract / Notice Period / Severance Fee:

- The Contract of Service entered into by the Company with Mr. Mahesh Kumar, Chief Financial Officer provides that the Company and the Executive Directors shall be entitled to terminate the agreement by giving 3 months' notice in writing on either side.
- No severance fee is payable by the Company to the Executive Directors on termination of the agreement.

VXL Instruments Limited

7. GENERAL BODY MEETINGS:

Details of Annual General Meetings (AGM) of the Company held for the last three years:

Year	Date	Time	Venue
2017-18	19 th September, 2018	12.30 PM	Hall of Quest, Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018
2018-19	27 th September, 2019	12:00 Noon	Hall of Quest, Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018
2019-20	18 th December, 2020	2.00 P.M	Through Video conferencing

Particulars of Special Resolutions passed in the last three AGMs are given below:

19 th September, 2018	There were no items passed as Special Resolution at the Annual General Meeting (AGM) held on 19 th September, 2018
27 th September, 2019	1. Re-classification of the Promoters of the Company 2. Re-Appointment of Mr. M V Shetty as Whole Time Director of the Company
18 th December, 2020	1. Re-classification of the Promoters of the Company

No Special Resolution was passed through Postal Ballot during the financial year under report

8. SUBSIDIARY COMPANY:

The Company did not have any Subsidiaries during the period under report. The Company's erstwhile Subsidiary VXL Instruments Ltd. UK was dissolved on 11th March, 2018 and the Company has requested permission of Reserve Bank of India for write off of the investment made in it.

9. COMPLIANCES:

There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on such matters.

10. MEANS OF COMMUNICATION:

The quarterly and half yearly results are published in national and local dailies such as the Financial Express (in English) and Navashakthi (in Marathi) and hence are not individually sent to the Shareholders. The Company's financial results and shareholding pattern are also displayed in the Company's website at <https://www.vxl.net/investors> The Company does not make any representations to the Institutional Investors or to the Analysts.

11. CEO AND CFO CERTIFICATION:

The CEO and CFO of the Company have certified to the Board of Directors, *inter-alia*, the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose as required under the Listing Regulations, for the period ended 31st March, 2021.

12. CODE OF CONDUCT:

The Company has adopted Code of Conduct which has been implemented. The Code of Conduct is made applicable to the Directors and Senior Management Team. The code of conduct is available on the website of the Company at <https://www.vxl.net/investors/disclosures>. Requisite annual affirmations of compliance with respective codes have been made by the Directors and Senior Management of the Company for the period 1st April, 2020 to 31st March, 2021.

The Certificate by the CEO of the Company concerning compliance with the Code of Conduct for Directors and Senior Management is given below:

Code of Conduct for Directors and Senior Management
CEO Confirmation

I hereby confirm that:

The Company has obtained from the Directors and Senior Management personnel affirmation that they have complied with the above code for, and in respect of, the year ended 31st March, 2021.

Place: Bangalore

Date: 28.06.2021

M V Shetty

Whole-Time Director

DIN: 00515711

13. GENERAL SHAREHOLDERS' INFORMATION:

AGM: Date : 27th September, 2021
Time : 12.00 Noon
Venue : Through Video Conference

Financial calendar: April to March

Date of Book Closure: 21st September, 2021 to 27th September, 2021

Dividend payment(s): Nil

Listing on Stock Exchange: BSE Limited

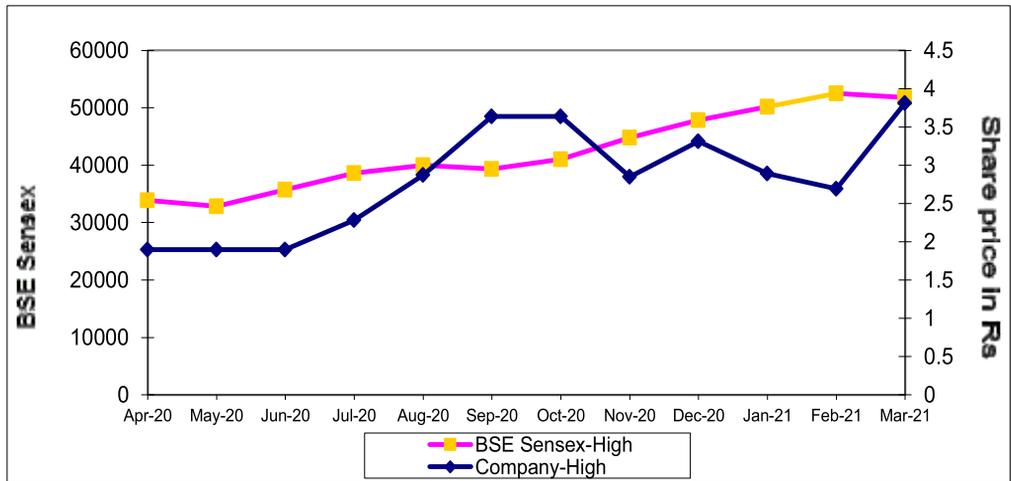
Scrip Code is 517399 in the BSE Limited

14. STOCK MARKET (BSE) PRICE DATA FOR THE YEAR:

(Amount in Rs.)

Month	BSE Sensex		Company Market Price	
	High	Low	High	Low
April 2020	33887	27501	1.90	1.90
May 2020	32845	29968	1.90	1.90
June 2020	35706	32348	1.90	1.81
July 2020	38617	34927	2.28	1.99
August 2020	40010	36911	2.87	2.25
September 2020	39359	36496	3.64	3.01
October 2020	41048	38410	3.64	2.85
November 2020	44825	39335	2.85	2.70
December 2020	47897	44118	3.31	2.85
January 2021	50184	46160	2.89	2.26
February 2021	52517	46434	2.69	2.23
March 2021	51822	48236	3.81	2.54

Share price performance in comparison with BSE Sensex*



*Based on BSE Sensex (High) / share price (High) on the last trading day of the month.

15. REGISTRAR AND TRANSFER AGENTS:

Big Share Services Private Limited is the Company's Registrar and Share Transfer Agent.

Their address is furnished below:

Big Share Services Private Limited
 1st Floor | Bharat Tin Works Building, Opp. Vasant Oasis
 Makwana Road, Marol, Andheri East, Mumbai-400059, Maharashtra, India.
 Board No: 022 – 62638200, DIR : 022 62638268
 Fax No: +91 22 62638299 | 7045454391
 E-mail: info@bigshareonline.com

16. SHARE TRANSFER SYSTEM:

The Company's Registrars and Share Transfer Agents (RTA) has adequate infrastructure to process the Share transfers. Periodically, a Practising Company Secretary audits the system and a Certificate to that effect is issued and the same is filed with the Stock Exchange. Additionally, Reconciliation on Share Capital audits and Dematerialization related scrutiny are conducted quarterly by a Practising Company Secretary.

The Company's Shares are compulsorily traded in the demat form and the ISIN No. allotted is INE756A01019.

17. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT PURSUANT TO SEBI CIRCULAR NO. SEBI/LAD-NRO/GN/2015-16/013, DATED 2ND SEPTEMBER, 2015:

As per the above-mentioned Circular, there are "Nil" Shares in the Demat Suspense Account or Unclaimed Suspense Account.

18. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2021:

Face Value Rs.10/-

Range in Rs.	No. of Shareholders	% of Total Share Holders	Total Holding in Rs.	% of Total Capital
1 - 5,000	3956	89.46	50,05,510	3.75
5,001 - 10,000	196	4.43	16,10,610	1.20
10,001 - 20,000	122	2.75	18,18,680	1.36
20,001 - 30,000	39	0.88	9,89,190	0.74
30,001 - 40,000	14	0.31	4,93,850	0.37
40,001 - 50,000	10	0.22	4,71,950	0.35
50,001 - 1,00,000	35	0.79	23,63,450	1.77
1,00,001 & above	50	1.13	12,04,94,760	90.42
	4422	100.00	13,32,48,000	100.00

Shareholding pattern as on 31st March, 2021:

Category	No. of Shares	% Holding
Directors	29,920	0.22
Promoter but not Director	11,33,125	8.50
Directors' and Promoters' Relatives	2,79,980	2.10
Total A	14,43,025	10.83
Mutual Funds	3,000	0.02
Financial Institutions	900	0.01
Body Corporate	12,58,464	9.44
NRI	53,08,264	39.84
Foreign Portfolio Investors	42,645	0.32
FOREIGN NATIONALS	4,37,600	3.28
FOREIGN COMPANY	7,85,600	5.90
Shares in Transit	0	0
Clearing Member	6,298	0.05
Overseas Bodies Corporate	19,25,000	14.45
General Public	21,13,904	15.86
TRUSTS	100	0.00
Total B	1,18,81,775	89.17
Total A + B	1,33,24,800	100.00

19. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

About 80.77% of the 1,33,24,800 outstanding Equity Shares have been dematerialized up to 31st March, 2021.

20. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS (GDRS)/AMERICAN DEPOSITORY RECEIPTS ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has no GDR/ADR/Warrants or any other convertible instruments.

21. ANNUAL CUSTODY / ISSUER CHARGES:

The Company has paid the Annual Custody / Issuer charges for the financial year 2020-2021 to NSDL and CDSL.

22. CERTIFICATION ON CORPORATE GOVERNANCE:

Compliance certificate from a Practising Company Secretary regarding compliance of conditions of corporate governance is attached to the Board's Report and is a part of this Annual Report.

23. SECRETARIAL COMPLIANCE CERTIFICATE:

Pursuant to the provisions of the Listing Regulations, the Company has obtained annual 'Secretarial Compliance Certificate' for the financial year 2020-21 in the prescribed format from a practising Company Secretary and filed the same with the Stock Exchange in the prescribed time limit.

24. OTHER DISCLOSURES:

(i) Materially Significant Related Party Transactions

The Company has complied with the requirements of the Companies Act, 2013 and the Listing Regulations on Related Party Transactions. Prior approvals for all Related Party Transactions (RPTs) are obtained from the Audit Committee and the Board.

Approval of Shareholders has been obtained for 'Material Related Party Transactions' in the Annual General Meeting of the Company.

(ii) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of the Listing Regulations as well as Regulations and Guidelines of SEBI and other Statutory Authorities on all matters relating to the Capital Markets. The Company has not paid any fines during the last three financial years.

(iii) Vigil Mechanism

The Company has a Vigil Mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards for victimization of Director(s) / Employee(s) who avail of the mechanism. In exceptional cases, Directors and Employees have direct access to the Chairman of the Audit Committee. No personnel of the Company have been denied access to the Chairman of the Audit Committee, for making complaint on any integrity issue. The Whistle Blowing Policy is available on the Company's website at <https://www.vxl.net/investors/disclosures>

(iv) Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also fulfilled the following discretionary requirements:

- a. The Auditor's opinion on the financial statements is unmodified.
- b. The positions of Chairman and Managing Director are separate.
- c. The Internal Auditor reports directly to the Audit Committee.

(v) As the Company has no Subsidiary as on date, the requirement of formulating a specific Policy on dealing with material subsidiaries does not arise.

(vi) Web link where policy on dealing with Related Party Transactions

The Company has disclosed the Policy on dealing with Related Party Transactions on its website at <https://www.vxl.net/investors/disclosures>.

(vii) Commodity Price Risk and Commodity hedging activities

The Company is not exposed to material foreign exchange risk on account of import and export transactions entered, as import of goods is happening in Indian Rupees. Also, it is not a sizable user of various commodities, hence not exposed to the price risk on account of procurement of commodities.

(viii) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). Hence, details of utilization of funds not required

(xi) All the Directors have confirmed that they are neither debarred nor disqualified from being appointed or continuing as Director by Securities and Exchange Board of India / the Ministry of Corporate Affairs or any such Statutory Authority. The Company has obtained a Certificate to this effect from Mr. Vijayakrishna K.T., Practising Company Secretary, Bangalore as mandated under Schedule V, Part C, Clause 10(i) of the Listing Regulations.

(x) The Company has paid Rs. 2,90,000/- to the Statutory Auditors in the financial year 2020-21 for all the services rendered by them to the Company.

(xi) The Board had accepted recommendations of all the Committees of the Board which is mandatorily required during the year.

(xii) Details in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. Number of complaints filed during the financial year: Nil
- b. Number of complaints disposed of during the financial year: Nil
- c. Number of complaints pending as at the end of the financial year: Nil

(xiii) The Company follows Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The Company has not adopted a treatment different from that prescribed in any Accounting Standard.

(xiv) Disclosure of list of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad is not applicable.

(xv) The Company has complied with all the mandatory requirements of the Chapter IV of the Listing Regulations. As regards the non-mandatory requirements the extent of compliance has been stated in this report against each item.

25. COMPLIANCE WITH DISCRETIONARY REQUIREMENTS:**(i) Shareholder Rights**

The Company's quarterly and half-yearly financial results including summary of the significant events are published in the newspapers and the results were also uploaded on the Company's website. Therefore, no individual intimations were sent to the Shareholders. However, based on the requests from Shareholders, if any, the Company would provide them individually.

(ii) Audit qualifications

There are no qualifications/ unmodified audit opinion in the Auditors' Report on the Accounts for the year ended March 31, 2021.

(iii) Reporting of Internal Auditor

The Internal Auditor / Audit Firm report directly to the Audit Committee.

VXL Instruments Limited

26. PLANT LOCATION:

VXL Instruments Limited
74/C, KEONICS Electronics City
Hosur Road
Bengaluru 560 100, Karnataka

27. ADDRESS FOR CORRESPONDENCE:

VXL Instruments Limited
1783, Sector -1, Phoenix House,
19th Main, HSR Layout,
Bengaluru - 560 102, Karnataka
URL : www.vxl.net
CIN : L85110MH1986PLC272426
Email : cfo@vxl.net

28. REGISTERED OFFICE:

VXL Instruments Limited
No. 252, 5th Floor, Building No. 2,
Solitaire Corporate Park,
Chakala, Andheri (East),
Mumbai - 400 093
Phone: +91 22 2824 5210
Fax: +91 22 4287 2197

For and on behalf of the Board of Directors of
VXL Instruments Limited

Place: Bangalore
Date: 28.06.2021

Mini Bhuwania
Director
DIN: 08640692
Address: 8, Edmunds Walk,
London, N2, 0HU,
United Kingdom

M. V. Shetty
Whole-Time Director
DIN: 00515711
Address: No 317, 5th Main,
1st Block, Koramangala,
Bangalore-560 034

CEO and CFO CERTIFICATION

The Board of Directors
VXL Instruments Limited
Bengaluru

Dear Board Members,

We, Mr. M V Shetty Whole Time Director and Mr. Mahesh Kumar KV, CFO of VXL Instruments Limited, to the best of our Knowledge and belief, certify that:

1. We have reviewed the Financial Statements and Cash Flow Statement for the year ending 31st March, 2021.
2. These Statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for the periods presented in this report and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the company during the year that are fraudulent, illegal or violate the Company's code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's Audit Committee of the Board of Directors.
5. We accept responsibility for establishing and maintaining internal controls reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
6. We have indicated, to the Auditors and Audit Committee:
 - a) Significant changes in internal control over financial reporting during the year
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Mahesh Kumar K V
Chief Financial Officer

Vittal Mangalore Shetty
Whole Time Director
DIN: 00515711

Place: Bengaluru
Date : 28.06.2021

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS REQUIRED UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members
VXL Instruments Limited

I have examined all the relevant records of VXL Instruments Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company for the financial year ended 31st March, 2021 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

Place: Bangalore
Date: 28.06.2021

Vijayakrishna KT
Practising Company Secretary
FCS-1788CP-980
UDIN: F001788C000530426

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
VXL INSTRUMENTS LIMITED

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of VXL INSTRUMENTS LIMITED having CIN:L85110MH1986PLC272426 and having Registered Office at 252, 5th Floor, Building No. 2, Solitaire Corporate Park, Chakala, Andheri, Mumbai-400093 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2021 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Directors	DIN	Date of appointment in company
1.	Mr. Vittal Mangalore Shetty	00515711	01.10.2010
2.	Mr. Vivek Gupta	00025519	11.07.2018
3.	Mr. Rakesh Shridas Damani	07580652	11.07.2018
4.	Mrs. Mini Bhuwania	08640692	30.07.2020

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

Place: Bangalore
Date: 28.06.2021

Vijayakrishna KT
Company Secretary
FCS-1788CP-980
UDIN: F001788C000530426

Independent Auditor's Report

To,
The members of VXL Instruments Limited,

Report on the Audit of Ind AS Financial Statements:

Opinion

- 1) We have audited the accompanying Ind AS financial statements of **VXL Instruments Limited** ("the company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements")
- 2) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its **Loss** including Other Comprehensive Income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

- 3) We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Companies Act, 2013 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 opinion on the Ind AS financial statements.

Emphasis of Matter

We draw your attention to Note No.10 of the Financial Statement wherein trade receivables reported by the company includes Rs. 5.59 Crore is receivable from one of the foreign customers, which is outstanding for more than 1 year.

Our opinion on the financial Statement is not modified in respect of above matter

Key Audit Matters

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

Sl. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition</p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance</p>	<p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including</p> <ul style="list-style-type: none"> ● Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. ● Evaluating the design and implementation of Company's controls in respect of revenue recognition. ● Testing the effectiveness of such controls over revenue cut off at year-end. ● Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period. ● Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

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

- 5) The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.
- 6) Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 7) 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.
- 8) 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.

Management's Responsibilities for the Ind AS Financial Statements

- 9) The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position and financial performance, 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 10) In preparing the Ind AS 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.
- 11) The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

- 12) Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.
- 13) As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Ind AS 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosure is 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 14) Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- 15) We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.
- 16) 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.
- 17) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 18) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
- 19) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 20) As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For YCRJ & ASSOCIATES
Chartered Accountants
Firm's Registration No: 0006927S

Place: Bangalore
Date: 28.06.2021

Vijayendra R Nayak
Partner
M. No. 203184
ICAI:UDIN:21203184AAAAGL7767

“Annexure A” to the Independent Auditors Report

(referred to in paragraph 18 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the Ind AS financial statements of the Company for the year ended, 31st March 2021.)

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a planned program of verifying all the fixed assets once a year, according to which all the fixed assets were physically verified by the management in the year 2020-21. We understand that no material discrepancies were noticed on such verification. In our opinion, such physical verification program, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties are held in the name of the Company. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) The inventories of the Company have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification;
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) We have been informed that maintenance of cost records under sub section (1) of section 148 of the companies act 2013 and the rules made thereunder are not applicable relating to the operations of the company and hence the requirements of clause 3(vi) of companies (Auditor's report) order, 2016 is not applicable to the company.
- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, GST, Income tax, Goods and Service Tax, Wealth tax, Duty of Customs, Cess and other statutory dues with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no dues of income tax, GST, sales tax, service tax, Excise duty, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable except as mentioned below:

VXL Instruments Limited

Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which amount relates	Forum where dispute is pending
EPF Act 1952	Employee Provident Fund Damages, Interest under appeal	3.37	2001 - 2004	Commissioner of EPFO
CST Act 1956	Central Sales Tax	59.73	2001-02 to 2004-05 and 2011-12	Deputy Commissioner of Commercial Taxes
Finance Act 1994	Service Tax	1278.92	2008-09 to 2013-14	Central Excise & Service Tax Appellate Tribunal
Central Excise Act 1944	Cenvat Credit	4.32	2010-11 to 2016-17	Commissioner Appeals Central Tax

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to banks and debenture holders. The Company did not have any outstanding dues in respect of a financial institution or to Government, during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer or debt instruments. Further, term loans were applied for the purpose for which the loans were obtained.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For YCRJ & ASSOCIATES

Chartered Accountants

Firm's Registration No: 0006927S

Place: Bangalore

Date: 28.06.2021

Vijayendra R Nayak

Partner

M. No. 203184

ICAI:UDIN:21203184AAAAGL7767

Annexure - B to the Auditors' Report

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

- 1) We have audited the internal financial controls over financial reporting of VXL Instruments Limited as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

- 2) 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

- 3) 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.
- 4) 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.
- 5) 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 Ind AS financial statements, whether due to fraud or error.
- 6) 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

- 7) 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:
- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (c) 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

- 8) 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

- 9) In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, 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 YCRJ & ASSOCIATES

Chartered Accountants

Firm's Registration No: 0006927S

Place: Bangalore

Date: 28.06.2021

Vijayendra R Nayak

Partner

M. No. 203184

ICAI:UDIN:21203184AAAAGL7767

BALANCE SHEET AS AT 31st MARCH, 2021

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current Assets			
Property, plant and equipment	1	34,87,860	7,21,70,199
Capital work-in-progress			-
Investment Property			-
Goodwill			-
Intangible assets	2	27,959	55,382
Right of Use Asset	3	41,45,674	90,95,391
Financial assets			
(i) Investments	4	11,000	11,000
(ii) Trade Receivables	5	-	-
(iii) Loans	6	18,173	-
(iv) Other financial assets	7	8,82,586	34,07,472
Other non-current assets	8	26,40,587	37,46,056
Total Non-current Assets		1,12,13,838	8,84,85,501
Current Assets			
Inventories	9	1,28,65,367	3,48,61,288
Financial assets			
(i) Trade receivables	10	9,62,53,259	7,91,55,066
(ii) Contract Assets	10A	-	9,19,975
(iii) Cash and cash equivalents	11	85,17,293	63,94,397
(iv) Other bank balance	12	40,37,897	15,82,440
(v) Loans	13	1,000	1,01,215
(vi) Other financial assets	14	19,94,240	17,01,378
Current tax assets (Net)	15	1,26,52,171	22,51,212
Other current assets	16	1,25,31,774	2,07,05,787
Total Current Assets		14,88,53,001	14,76,72,758
Total Assets		16,00,66,839	23,61,58,259
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17	13,33,58,750	13,33,58,750
Other Equity	18	(7,55,58,812)	(5,28,31,307)
Total Equity		5,77,99,938	8,05,27,443

BALANCE SHEET AS AT 31st MARCH, 2021 (Cont...)

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	19	1,41,25,579	5,30,05,594
(ii) Other financial liabilities	20	-	20,87,255
Provisions	21	49,32,687	48,70,846
Total Non-current Liabilities		1,90,58,266	5,99,63,695
Current liabilities			
Financial liabilities			
(i) Trade payables	22		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	22(a)	2,58,715	10,08,329
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	22(b)	4,42,70,300	5,09,18,004
(ii) Other financial liabilities	23	2,22,42,912	1,98,80,564
Provisions	24	17,70,219	21,91,917
Contract Liabilities	25	1,44,443	3,41,494
Current Tax Liabilities	26	1,23,47,327	1,49,43,472
Other current liabilities	27	21,74,719	63,83,342
Total Current Liabilities		8,32,08,635	9,56,67,122
Total Liabilities		10,22,66,901	15,56,30,817
Total Equity and Liabilities		16,00,66,839	23,61,58,259

The accompanying notes are an integral part of the financial statements.

As per our report attached of even date

For YCRJ & ASSOCIATES

Chartered Accountants

Firm's Registration No: 0006927S

Vijayendra R Nayak

Partner

M. No. 203184

Mini Bhuwania

Director

DIN : 08640692

M. V. Shetty

Wholetime Director

DIN : 00515711

Place: Bangalore

Date: 28-06-2021

ICAI:UDIN:21203184AAAAGL7767

Roopa Hegde

Company Secretary

Mahesh Kumar K V

Chief Financial Officer

VXL Instruments Limited

Statement of profit and loss for the year ended 31st March 2021

(Amount in Rs.)

Particulars	Note No.	For the year ended Mar 31, 2021	For the year ended Mar 31, 2020
Income			
Revenue from operations	28	7,66,52,496	19,24,36,560
Other income	29	12,07,696	35,65,024
Total Income		7,78,60,192	19,60,01,584
Expenses			
Cost of materials consumed	30	5,55,08,043	12,98,37,633
Purchase of stock-in-trade	31	-	-
Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and Stock-in-Trade	32	(3,25,972)	(3,93,905)
Employee benefits expenses	33	3,26,96,521	3,56,74,910
Finance Costs	34	46,55,713	90,01,084
Depreciation & Amortisation	35	66,80,926	84,36,305
Other Expenses	36	2,09,72,600	2,30,24,471
Total expenses		12,01,87,830	20,55,80,497
Profit before exceptional items and tax expense		(4,23,27,638)	(95,78,913)
Add: Exceptional items	37	3,19,84,203	(25,297)
Profit before tax		(1,03,43,435)	(96,04,210)
Less: Tax expense			
(1) Current tax		1,23,47,327	-
(2) MAT credit entitlement :			
Current Year		-	-
Previous Year		-	-
(3) Deferred tax		-	-
Total Tax expense		1,23,47,327	-
Profit for the period from continuing operations		(2,26,90,762)	(96,04,210)

Statement of profit and loss for the year ended 31st March 2021 (Cont...)

(Amount in Rs.)

Particulars	Note No.	For the year ended Mar 31, 2021	For the year ended Mar 31, 2020
Other Comprehensive Income			
<u>Items that will not be re-classified to Profit & Loss Statement</u>			
(a) Re-measurement of Defined Benefit Plans	38(a)	(36,743)	(4,89,164)
(b) Income Tax relating to (a)		-	-
<u>Items that will be re-classified to Profit & Loss Statement</u>			
(a) Fair Value Adjustments	38(b)	-	-
(b) Income Tax relating to (b)		-	-
Total other comprehensive income		(36,743)	(4,89,164)
Total comprehensive income for the period		(2,27,27,505)	(1,00,93,374)
Earnings per share (Face Value ₹ 10/- per share)			
Not annualised :			
(1) Basic (in Rs.)		(1.71)	(0.76)

The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board

As per our report attached of even date

For YCRJ & ASSOCIATES

Chartered Accountants

Firm's Registration No: 0006927S

Mini Bhuwania

Director

DIN : 08640692

M. V. Shetty

Wholetime Director

DIN : 00515711

Vijayendra R Nayak

Partner

M. No. 203184

Place: Bangalore

Date: 28-06-2021

ICAI:UDIN:21203184AAAAGL7767

Roopa Hegde

Company Secretary

Mahesh Kumar K V

Chief Financial Officer

VXL Instruments Limited

Statement of Cash Flows for the year ended 31st March 2021

(Amount in Rs.)

S. No.	Particulars	2020-21 Rupees	2019-20 Rupees
A	Net profit / (loss) before tax	(1,03,43,435)	(96,04,210)
	Adjustment for :		
	(Net gain) / loss on sale of fixed assets	(3,19,84,203)	25,297
	(Net gain) / loss on discarding of fixed assets	-	-
	Interest income	(4,25,795)	(7,26,426)
	Depreciation and Amortisation	66,80,926	84,36,305
	Forex gain	-	(16,87,193)
	Interest expense	46,02,587	88,22,930
	Provision for Bad & Doubtful Debts	-	6,49,600
	No Longer Receivables	-	-
	Provision towards materials Purchase		
	Other Non-Operating Incomes/Expenses	(6,03,297)	-
	Operating profit before working capital changes	(3,20,73,217)	59,16,302
	Adjustments for:		
	Increase / (Decrease) in other non-current financial liabilities	(20,87,255)	20,37,255
	Increase / (Decrease) in long term provisions	61,841	18,76,789
	Increase / (Decrease) in Trade payables	(73,97,318)	4,22,69,704
	Increase / (Decrease) in other current financial liabilities	23,62,348	77,11,308
	Increase / (Decrease) in short term provisions	(4,21,698)	(8,71,925)
	Increase / (Decrease) in other current liabilities	(70,01,819)	76,19,622
	(Increase) / Decrease in other non-current financial assets	25,06,713	11,73,615
	(Increase) / Decrease in other non-current assets	10,68,726	64,88,950
	(Increase) / Decrease in Inventories	2,19,95,921	2,64,61,228
	(Increase) / Decrease in Trade receivables & Contract Assets	(1,55,74,921)	(5,77,13,847)
	(Increase) / Decrease in Other bank balance	(24,55,457)	23,27,765
	(Increase) / Decrease in Loans-Current	1,00,215	(97,571)
	(Increase) / Decrease in other current financial asset	(2,92,862)	(9,74,716)
	(Increase) / Decrease in other current assets	(22,26,944)	(64,50,065)
	Net cash generated from/(used in) operating activities	(4,14,35,726)	3,77,74,414
	Direct taxes paid	(1,23,47,327)	-
	Net Cash(used in)/generated from Operating Activities	(5,37,83,053)	3,77,74,414

Statement of Cash Flows for the year ended 31st March 2021 (Cont...)

(Amount in Rs.)

S. No.	Particulars	2020-21 Rupees	2019-20 Rupees
B	Cash flow from investing activities		
	Interest received	4,25,795	7,26,426
	Purchase of Property, plant and equipment	(1,16,827)	(1,47,124)
	Purchase of Other Intangible Assets	(7,54,916)	(1,59,85,611)
	Proceeds from sale of fixed assets	9,98,34,500	50,000
	Net cash (used in)/generated from investing activities	9,93,88,551	(1,53,56,310)
C	Cash flow from financing activities		
	Proceeds/(Repayment) from long term borrowings	(3,88,80,015)	(98,32,712)
	Interest paid	(46,02,587)	(88,22,930)
	Net cash (used in)/generated from financing activities	(4,34,82,602)	(1,86,55,642)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	21,22,896	37,62,462
	Cash and cash equivalents as at the beginning of the year	63,94,397	26,31,935
	Cash and cash equivalents as at the end of the year	85,17,293	63,94,397

Notes:

1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year's figures have been regrouped/reclassified wherever applicable.

For and on behalf of the Board**As per our report attached of even date****For YCRJ & ASSOCIATES***Chartered Accountants*

Firm's Registration No: 0006927S

Mini Bhuwania*Director*

DIN : 08640692

M. V. Shetty*Wholetime Director*

DIN : 00515711

Vijayendra R Nayak*Partner*

M. No. 203184

Place: Bangalore

Date: 28-06-2021

ICAI:UDIN:21203184AAAAGL7767

Roopa Hegde*Company Secretary***Mahesh Kumar K V***Chief Financial Officer*

(Amount in Rs.)

a. Equity share capital

Movement during the period	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Share capital (Amount)	Number of shares	Share capital (Amount)
Shares having face value of Rs 10/- Balance at the start of the period	1,33,24,800	13,33,58,750	1,33,24,800	13,33,58,750
Issued during the period	-	-	-	-
Balance at the end of the period	1,33,24,800	13,33,58,750	1,33,24,800	13,33,58,750

b. Other Equity

Particulars	As at March 31, 2021	As at March 31, 2020
<u>1. Capital Reserve (Refer Note-(a) below)</u>		
Balance at beginning of the period	20,53,645	20,53,645
Additions/(Deletions)	-	-
Balance at end of the period	20,53,645	20,53,645
<u>2. Revaluation Surplus (Refer Note-(b) below)</u>		
Balance at beginning of the period	6,65,75,260	6,65,75,260
Additions/(Deletions)	(6,65,75,260)	-
Balance at end of the period	-	6,65,75,260
<u>3. Securities Premium(Refer Note-(c) below)</u>		
Balance at beginning of the period	13,73,26,077	13,73,26,077
Addition / (deletions)		-
Balance at end of the period	13,73,26,077	13,73,26,077
<u>4. Other Reserves - General Reserve (Refer Note-(d) below)</u>		
Balance at beginning of the period	8,72,45,381	8,72,45,381
Addition / (deletions)	6,65,75,260	-
Balance at end of the period	15,38,20,641	8,72,45,381
<u>5. Statement of Profit and Loss</u>		
Balance at beginning of the period	(34,60,31,670)	(33,59,38,296)
Net profit/(Loss) for the year	(2,26,90,762)	(96,04,210)
Other Comprehensive Income / (Expense)	(36,743)	(4,89,164)
Balance at end of the period	(36,87,59,175)	(34,60,31,670)
Total	(7,55,58,812)	(5,28,31,307)

a. Equity share capital (Cont...)**Notes :**

- (a) Revaluation reserve is created by revaluation of fixed assets before 1st April 2016. This reserve cannot be utilised for distribution as dividend or for issue of bonus shares.
- (b) Securities Premium: this is the premium VXL has received on issue of equity shares from time to time.
- (c) General Reserve is created out of the profits generated. The same can be utilized in accordance with the provisions of the Act to distribute among the shareholders by way of dividend or by way of issue of bonus shares etc after setting off accumulated loss.

As per our report attached of even date

For YCRJ & ASSOCIATES

Chartered Accountants

Firm's Registration No: 0006927S

Vijayendra R Nayak

Partner

M. No. 203184

Place: Bangalore

Date: 28-06-2021

For and on behalf of the Board**Mini Bhuwania**

Director

DIN : 08640692

M. V. Shetty

Wholetime Director

DIN : 00515711

Roopa Hegde

Company Secretary

Mahesh Kumar K V

Chief Financial Officer

Notes to financial statements for the Year ended March 31, 2021

1 Property, plant and equipment

(Amount in Rs.)

Particulars	Cost or Deemed cost			Accumulated depreciation			Carrying Amount As at March 31, 2021		
	Balance as at April 1, 2020	Additions	Disposals	Discarded	Balance at March 31, 2021	Depreciation expense		Disposals	Discarded
Property plant and equipment									
LAND*	6,74,65,200	-	-	6,74,65,200	-	-	-	-	-
BUILDING	-	-	-	-	-	-	-	-	-
PLANT & MACHINERY	19,54,782	-	-	3,85,097	15,69,686	7,04,597	1,18,227	-	8,22,824
MOTOR VEHICLES	32,66,530	-	-	-	26,10,221	2,52,444	1,38,140	-	27,46,361
OFFICE EQUIPMENT	42,90,554	61,163	-	32,32,278	43,81,718	2,52,444	3,98,472	-	39,84,722
Computers	32,66,242	42,364	-	38,98,608	28,49,008	1,13,810	2,92,678	-	29,62,818
Furniture & Fixtures	36,82,958	13,300	-	38,96,258	20,49,963	3,26,288	3,26,288	-	23,67,621
Total	84,11,67,267	1,16,82,717	-	6,78,50,297	1,63,82,197	1,19,46,067	9,49,869	-	1,28,94,336

* During the year, the company has sold the Land, situated at Veerasandra Industrial area, Electronics City, Bangalore for a gross sale consideration of Rs. 6.75 Crores.

PREVIOUS YEAR

Particulars	Cost or Deemed cost			Accumulated depreciation			Carrying Amount As at March 31, 2020		
	Balance as at April 1, 2019	Additions	Disposals	Discarded	Balance at March 31, 2020	Depreciation expense		Disposals	Discarded
Property plant and equipment									
LAND	6,74,65,200	-	-	-	6,74,65,200	-	-	-	6,74,65,200
BUILDING	-	-	-	-	-	-	-	-	-
PLANT & MACHINERY	19,54,782	-	-	-	19,54,782	5,72,749	1,31,849	-	7,04,597
MOTOR VEHICLES	34,80,988	-	-	2,14,458	32,66,530	24,97,122	2,52,260	-	26,10,221
OFFICE EQUIPMENT	42,67,061	23,473	-	42,90,554	32,31,193	5,01,085	3,15,769	-	37,32,278
Computers	31,61,844	64,368	-	33,53,242	25,32,239	3,15,769	4,07,233	-	28,49,008
Furniture & Fixtures	36,53,705	29,253	-	38,82,958	17,28,065	3,23,888	3,23,888	-	20,49,963
Total	84,11,63,600	1,47,124	-	2,14,458	84,11,62,671	1,05,60,368	15,24,860	1,39,161	1,19,46,067

2 Intangible Assets

Particulars	Cost or Deemed cost			Accumulated Amortization and impairment			Carrying Amount As at March 31, 2021		
	Balance as at April 1, 2020	Additions	Disposals	Impairment	Balance at March 31, 2021	Amortization expense		Disposals	Impairment
SOFTWARE LICENSE	5,45,094	-	-	-	5,45,094	4,89,713	27,423	-	5,17,135
Total	5,45,094	-	-	-	5,45,094	4,89,713	27,423	-	5,17,135

PREVIOUS YEAR

Particulars	Cost or Deemed cost			Accumulated Amortization and impairment			Carrying Amount As at March 31, 2020		
	Balance as at April 1, 2019	Additions	Disposals	Discarded	Balance at March 31, 2020	Amortization expense		Disposals	Discarded
SOFTWARE LICENSE	5,18,106	26,988	-	-	5,45,094	4,41,500	48,213	-	4,89,713
Total	5,18,106	26,988	-	-	5,45,094	4,41,500	48,213	-	4,89,713

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

3 Right of Use Asset

Particulars	As at March 31, 2021	As at March 31, 2020
Right of Use Asset	1,07,50,342	1,59,58,623
Less : Accumulated Amortization	66,04,668	68,63,232
Total of loans	41,45,674	90,95,391

4 Investments

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in equity instruments		
(a) VXL Instruments Limited, UK		
108,000 equity shares of par value 1 GBP each, fully paid up (a subsidiary of the Company with 60% holding)	51,69,261	51,69,261
Less: Provision for diminution in value of Investments	51,69,261	51,69,261
Carrying Amount	-	-
(b) ELCIA ESDN CLUSTER		
1100 equity shares of ELCIA ESDN Cluster of par value of Rs. 10, fully paid up	11,000	11,000
Carrying Amount	11,000	11,000
Total Carrying Amount of Investments	11,000	11,000

Basis of valuation

1. Investments are stated at cost.

5 Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Credit Impaired-		
(a) Receivable from related parties :		
VXL Instruments Ltd-UK	4,61,72,358	4,61,72,358
(b) Others-Credit Impaired-	16,23,540	16,23,540
Total	4,77,95,898	4,77,95,898
Less : Allowance for Bad and doubtful debts	4,77,95,898	4,77,95,898
Total	-	-

6 Loans

Particulars	As at March 31, 2021	As at March 31, 2020
Advances-Unsecured & Doubtful		
Employees & Other Advances	10,58,743	10,40,570
Less : Allowance for bad & doubtful loans	10,40,570	10,40,570
Total of loans	18,173	-

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

7 Other financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Security Deposits -Unsecured Considered Good		
Rental deposits	7,59,946	31,62,222
Others Deposits	78,640	1,94,270
Total of (a)	8,38,586	33,56,492
(b) Others-Secured Considered Good		
Bank Deposits with maturity more than 12 months	44,000	50,980
Total of (b)	44,000	50,980
Total	8,82,586	34,07,472

8 Other non-current assets

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Deposits with statutory authorities :		
EPF	-	10,69,469
CBEC	26,40,587	26,76,587
(b) Balances receivable from Government authorities :		
Total	26,40,587	37,46,056

9 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials	1,13,34,428	3,36,56,321
Finished Goods	15,30,939	12,04,967
Total	1,28,65,367	3,48,61,288

10 Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Receivable from related parties :		
VXL Software Solutions Pvt Ltd	-	11,48,901
Receivable from others	9,62,53,259	7,80,06,165
Total	9,62,53,259	7,91,55,066

10A Contract Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Unbilled Revenue	-	9,19,975
Total	-	9,19,975

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

11 Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
- On Current Accounts	34,94,026	62,90,812
- On Deposit Accounts (Having Maturity less than 3 Months)	50,00,000	-
- On Exchange Earners Foreign Currency Account	-	80,513
Cash on Hand	23,267	23,072
Total	85,17,293	63,94,397

12 Other Bank Balances

Particulars	As at March 31, 2021	As at March 31, 2020
Special Term Deposits (having maturity more than 3 months but less than 12 months)	40,37,897	15,82,440
Total	40,37,897	15,82,440

13 Loans

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured Considered Good		
Employee Advances		
To Other than related parties	1,000	1,01,215
Total	1,000	1,01,215

14 Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Secured-Considered Good		
Interest accrued but not due on deposits	1,39,240	1,77,059
(b) Security Deposits -Unsecured Considered Good		
Rental Deposit	18,30,000	14,58,411
Other Deposits	25,000	65,908
Total	19,94,240	17,01,378

15 Current Tax Asset (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
TDS on Immovable Property	7,50,000	20,92,522
TDS on others	1,52,171	1,58,690
Advance Tax	1,17,50,000	-
Total	1,26,52,171	22,51,212

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

16 Other Current Assets

Particulars	As at	As at
	March 31, 2021	March 31, 2020
(a) Advances to Suppliers - Other than Capital Advances	7,221	6,49,704
(b) Bank balance against Bank guarantee issued	-	33,04,067
(c) Bank balance - Employees Gratuity	13,664	1,69,411
(c) Prepaid Expenses	13,22,788	1,73,066
(d) Receivables from High Court Order	-	58,72,194
<u>(e) Balances with Government authorities :</u>		
GST Input credit	1,11,76,362	96,54,959
Excise Duty Receivable	-	8,58,165
(f) Others Balance	11,738	24,220
Total	1,25,31,774	2,07,05,787

17 Equity Share Capital

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Note: 1 SHARE CAPITAL		
AUTHORISED:		
1,50,00,000 Equity Shares of Rs.10/- each	15,00,00,000	15,00,00,000
Total	15,00,00,000	15,00,00,000
ISSUED :		
1,33,50,000 Equity Shares of Rs.10/- each	13,35,00,000	13,35,00,000
Subscribed and fully paid-up		
1,33,24,800 Equity Shares of Rs.10/- each	13,32,48,000	13,32,48,000
Share Forfeited Account	1,10,750	1,10,750
Total	13,33,58,750	13,33,58,750

Foot Notes:
i. Reconciliation of the number of shares outstanding at the beginning and as on 31st March' 2021
 Equity Share

Particulars	As at		As at	
	March 31, 2021		March 31, 2020	
	Number	Amount in Rs.	Number	Amount in Rs.
Number of equity shares at the beginning of the Year	1,33,24,800	13,32,48,000	1,33,24,800	13,32,48,000
Add: Equity shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Number of equity shares at the end of the Year	1,33,24,800	13,32,48,000	1,33,24,800	13,32,48,000

ii Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of share holders in the Annual General Meeting.

During the year ended 31st March 2021, the Company has not declared any dividend.

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

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

iii. Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares held	% of Holding	No. of shares held	% of Holding
(a) Avishek Suhasaria	29,50,000	22.14%	29,50,000	22.14%
(b) Nitesh Juthani	19,25,000	14.45%	19,25,000	14.45%
(c) Aurotech Technologies DMCC	19,25,000	14.45%	19,25,000	14.45%
(d) Daymount Ltd	7,85,600	5.90%	7,85,600	5.90%
(e) Priya Ltd	9,00,000	6.75%	9,00,000	6.75%
Total	84,85,600	63.68%	84,85,600	63.68%

18 Other Equity

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Capital Reserve	20,53,645	20,53,645
(b) Revaluation Surplus	-	6,65,75,260
(c) Securities Premium	13,73,26,077	13,73,26,077
(d) Other Reserves -General Reserve	15,38,20,641	8,72,45,381
(e) Surplus / (Deficit) in Statement of Profit & Loss Account	(36,87,59,175)	(34,60,31,670)
Total	(7,55,58,812)	(5,28,31,307)

19 Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
(a) Term Loan From Bank (Refer Note-1 below)	-	-
Less: Instalments of term loan payable within a year	-	-
Borrowings from bank	-	-
(b) From related party (Refer Note-2 below)		
Inter Corporate Deposit with Priya International Limited	1,38,60,000	5,18,50,000
Interest payable on Deposit with Priya International Limited	2,65,579	11,55,594
Borrowings from related party	1,41,25,579	5,30,05,594
Total	1,41,25,579	5,30,05,594

Notes

1. Loans and advances from related parties are due for repayment during September 2024.

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

20 Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Rent Deposit Received from Related Party - Priya Limited	-	50,000
Lease Liability	-	20,37,255
Total	-	20,87,255

21 Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
(a) Gratuity	21,57,607	21,54,895
(b) Leave Benefits	27,75,080	27,15,951
Total	49,32,687	48,70,846

22 Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	2,58,715	10,08,329
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises-		
Payable to related Parties- Priya Limited	10,470	5,96,029
Payable to related parties - VXL Software Solutions Pvt. Ltd.	4,02,022	-
Payable to other than Related Parties	4,38,57,808	5,03,21,975
Total of (b)	4,42,70,300	5,09,18,004

23 Other Financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Current maturities of long-term debt -Secured	-	-
(b) Advances from related parties	-	-
(c) Outstanding Liabilities for Expenses		
Salary Payable	78,36,929	22,15,230
Incentive/Bonus payable	9,01,365	9,62,420
Other Outstanding Liabilities	92,55,691	97,00,564
(d) Book Overdraft/cheques issued but not deposited	-	6,858
(e) Lease Liability	42,48,927	69,95,492
Total	2,22,42,912	1,98,80,564

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

24 Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Provision for Income Tax & Interest thereon	-	-
(b) Provision for Expenses	30,000	5,09,507
(c) Provision for employee benefits : Leave Benefits	17,40,219	16,82,410
Total	17,70,219	21,91,917

25 Contract Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Contract Liabilities -Advances from Customers	-	1,10,385
Unaccrued Revenue	1,44,443	2,31,109
Total	1,44,443	3,41,494

26 Current Tax Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current Tax Liabilities	1,23,47,327	1,49,43,472
Total	1,23,47,327	1,49,43,472

27 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
(a) <u>Statutory Liabilities Payables</u> :		
Professional Tax Payable	9,400	8,600
TDS Payable	3,40,134	3,79,428
GST payable	4,917	14,906
EPF Payable	2,62,911	2,32,863
ESI payable	6,649	10,236
Others	4,635	-
(b) High Court Order -Salary Payables	-	55,71,795
(c) Others	15,46,073	1,65,514
Total	21,74,719	63,83,342

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

28 Revenue From Operations

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Sale of Products - Data Processing Units		
Inland sales	3,75,69,360	9,29,85,007
Export sales	3,75,88,982	9,87,24,222
Other Operating Revenue		
AMC / Repair Services	14,94,155	7,27,331
Total	7,66,52,496	19,24,36,560

29 Other Income

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Interest Income on Bank Deposits	3,08,370	4,27,942
Interest Income on Others	1,17,425	2,98,484
Exchange Fluctuation	-	16,87,193
Other non-operating Income	1,78,604	2,52,225
CST Refund Received	-	6,58,407
Reversal of Excess Provision/No Longer payables	6,03,297	-
Sale of Duty Credit Scripts	-	2,40,773
Total	12,07,696	35,65,024

30 Cost of materials consumed

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Raw materials	5,54,97,243	12,97,94,193
Packing Materials	10,800	43,440
Total	5,55,08,043	12,98,37,633

31 Purchase of stock-in-trade

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Purchase of stock-in-trade	-	-
Total	-	-

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

32 Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and Stock-in-Trade

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Inventories at the beginning of the year		
(a) Work in Progress	-	-
(b) Finished Goods	12,04,967	8,11,062
(c) Stock-in-Trade	-	-
Total	12,04,967	8,11,062
Inventories at the end of the year		
(a) Work in Progress	-	-
(b) Finished Goods	15,30,939	12,04,967
(c) Stock-in-Trade	-	-
Total	15,30,939	12,04,967
Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and Stock-in-Trade	(3,25,972)	(3,93,905)

33 Employee Benefits Expenses

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Salaries & Wages (Other than Directors)	2,72,62,774	2,91,07,764
Director's Remuneration	25,78,992	25,78,992
Voluntary Retirement Scheme Benefits	-	-
Leave Encashment	2,24,056	9,11,106
Contribution to provident & Other Funds	-	-
Provident Fund, EDLI & ESI (including administration charges)	14,40,959	15,14,392
Gratuity	4,90,482	6,35,017
Others'	360	520
Staff welfare Expenses	6,98,898	9,27,118
Total	3,26,96,521	3,56,74,910

34 Finance Cost

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Interest Cost :		
Interest on Term Loan from Banks	-	10,689
Interest - on Inter Corporate Deposit	34,38,962	58,18,370
Interest - Others	6,01,924	10,88,399
Interest on Income Tax	5,61,701	19,05,472
Other Borrowing Costs	53,126	1,78,155
Total	46,55,713	90,01,084

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

35 Depreciation and Amortisation

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Amortisation	57,32,057	69,11,445
Depreciation	9,48,869	15,24,860
Total	66,80,926	84,36,305

36 Other Expenses

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Consumption of Stores & Spare parts	7,27,511	3,80,477
Provision towards materials Purchase	-	-
Power , Water and Fuel	9,70,972	17,79,530
Rent	25,12,666	21,02,912
Repairs & Maintenance - Buildings	27,547	76,191
Repairs & Maintenance - Plant & Machinery	63,432	3,15,112
Repairs & Maintenance - Vehicles	2,49,520	4,83,565
Repairs & Maintenance - Others	14,43,520	2,65,944
Insurance	8,10,145	3,90,178
Rates & Taxes	13,88,679	24,82,869
Remuneration to Auditors :		
Towards Audit Fees	2,90,000	2,90,000
Towards Exp.	7,150	2,866
Consultancy /Professional Charges	32,56,410	40,55,488
Testing and Certification charges	1,37,100	4,49,562
Software maintenace Charges	1,08,379	1,20,928
<u>Freight & Forwarding Charges :</u>		
Clearing Charges	9,124	3,01,049
Freight Outwards-Domestic	2,96,843	6,25,711
Freight Outwards-Overseas	11,44,902	11,22,740
Transportation Charges	3,875	1,16,852
Travelling expenses	5,47,044	9,14,632
Telephone/Internet Exp.	6,32,572	7,48,237
Postage / courier charges	1,85,717	6,33,770
Directors' Sitting Fees	1,45,000	2,59,000
Advertisement / Sales Promotion / Brokerage / Post sales support	8,07,835	15,13,594
Warranty Expenses	15,46,073	-
Service charges - Thin client	45,617	91,500
Stock Exchange Listing fees	3,00,000	3,59,000
Maintenance Exp.	4,93,422	3,54,342
Printing & Stationery	91,600	2,14,240
Security services	4,41,587	6,55,612
Exchange Fluctuation	4,30,866	-
MSME -Interest	-	7,252
Manpower Hire Charges	13,60,840	-
Provision for Bad & Doubt ful Debts	-	6,49,600
Miscellaneous Exp.	4,96,652	12,61,719
Total	2,09,72,600	2,30,24,471

Notes to financial statements for the Year ended March 2021

(Amount in Rs.)

37 Exceptional items

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
Profit/(Loss) on disposal of Assets	3,19,84,203	(25,297)
Profit/(Loss) on Assets Discarded	-	-
Total	3,19,84,203	(25,297)

38 Other Comprehensive Income

Particulars	For the year ended March 31, 2021	For the year ended Mar 31, 2020
<u>Items that will not be re-classified to Profit & Loss Statement</u>		
(a) <u>Re-measurement of Defined Benefit Obligations/Assets :</u> Gratuity	36,743	4,89,164
Total	36,743	4,89,164
<u>Items that will be re-classified to Profit & Loss Statement</u>		
(b) <u>Fair Value Adjustment through Other Comprehensive Income :</u> Fair Value Adjustment of Interest-free Rental Deposit	-	-
Total	-	-

Notes on accounts forming part of financial statements (Note-39)

1 Company Overview :

VXL Instruments Limited is a Public Limited Company listed in BSE Ltd. The Company is engaged in the business of manufacture and trading of data processing units.

2 Disclosures pursuant to Ind AS 1 - "Presentation of Financial Statements"

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maximise shareholder value.

3 Disclosures pursuant to Ind AS 115- "Revenue from Contracts with Customers"

Sale of Goods: Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised goods refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale

Sale of Services (Licenses) : Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

4 Disclosure pursuant to Ind AS 12 - "Income taxes"

The company has not considered the deferred tax effects on the in accordance with the requirements of this standard as there is no taxable income.

Provision for Income Tax has been created in accordance with the provisions of Income Tax Act, 1961.

5 Disclosure pursuant to Ind AS 19 "Employee benefits":

(a) Leave Salary :

The Company has made provision for leave salary on actuarial valuation basis using the Project Unit Credit Method as per Ind AS 19. These being retirement benefits, an obligation to pay these amounts might arise at the time of resignation / superannuation of the employees. There is no reimbursement receivable against these obligations.

Particulars	As at March 31, 2021	As at March 31, 2020
Number of employees	50	50
Average age (years)	43	43
Average remaining working life (years)	15	15
Present Value of the Obligation at the Beginning	43,98,361	35,05,845
Expenses Recognized in Income Statement	2,24,056	9,11,106
Expenses capitalized/ Impairment to Intangible Assets Under Development	-	-
Benefits Paid	(1,07,118)	(18,590)
Present Value of the Obligation at the End	45,15,299	43,98,361
Current liability	17,40,219	16,82,410
Non-Current liability	27,75,080	27,15,951
Financial Assumptions		
Discount rate (per annum)	6.60%	6.60%
Salary growth rate (per annum)	7.00%	7.00%

Demographic Assumptions		
Mortality Rate (as % of IALM 2012-14)	100.00%	100.00%
Normal retirement age	58 years	58 years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	5.00%	5.00%
31 to 40 years	3.00%	3.00%
Above 40 years	2.00%	2.00%
Rate of Leave Availment (per annum)	5.00%	5.00%
Rate of Leave Encashment during employment (per annum)	0.00%	0.00%

(b) Defined contribution plans

The Company makes Provident Fund contributions to defined contribution retirement benefit plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company recognised Rs.13,13,225/- (PY : Rs.13,30,152/-) for provident fund contributions in the profit and loss account. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(c) Defined benefit plans-Gratuity

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme Master Policy of the Life Insurance Corporation of India, a defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method as per Ind AS 19, with actuarial valuations being carried out at each balance sheet date.

The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31.03.2021 :

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Change in benefit obligation		
Projected Obligation at the beginning of the year	91,35,177	75,10,349
Interest Cost	6,02,495	5,79,529
Current Service Cost	3,48,360	5,55,124
Past Service Cost	-	-
Benefits Paid	(6,95,131)	-
Actuarial (Gain) / Loss	(1,46,480)	4,90,175
Projected Obligation at the end of the year	92,44,421	91,35,177
Change in Plan Assets		
Fair Value of the Plan Assets at the beginning of the year	69,80,282	64,74,994
Expected Return on Plan Assets	4,60,373	4,99,636
Employer's Contributions	3,59,065	4,641
Benefits Paid	(5,29,683)	-
Return on plan assets	(1,83,223)	1,011
Adjustment related to prior year	-	-
Fair Value of the Plan Assets at the end of the year	70,86,814	69,80,282

VXL Instruments Limited

Excess of (Obligations over Plan Assets) / Plan Assets Over Obligation	(21,57,607)	(21,54,895)
Non-Current Liability as per Actuarial Valuation	(21,57,607)	(21,54,895)
Excess Asset maintained with LIC not considered in Actuarial Valuation	-	-
Current liability	-	-
Net Non-Current Liability	(21,57,607)	(21,54,895)
Expenses Recognized during the period :		
In Income Statement	4,90,482	6,35,017
Expenses capitalized/Impairment to Intangible Assets Under Development	-	-
In Other Comprehensive Income	36,743	4,89,164
Components of OCI		
Actuarial (gains) / losses :		
change in demographic assumptions	-	191
change in financial assumptions	1,88,596	5,84,203
experience variance	(3,35,076)	(94,219)
Return on plan assets	1,83,223	(1,011)
Total of OCI	36,743	4,89,164
Category of assets		
100% Insurer Managed Funds	70,86,814	69,80,282
Key Assumptions		
Discount Rate	6.25%	6.60%
Salary Escalation Rate	7.00%	7.00%

6 Disclosure pursuant to Ind AS 32,107 & 109 : Accounting, Presentaion & disclosure of Financial Instruments

(I) Financial Assets :

(a) Investments :

VXL Instruments Limited, U.K., a subsidiary in which the Company has 60% share holding amounting to Rs. 51,69,261/- has accumulated losses in excess of its total paid up capital. Net receivable from VXL Instruments Limited, U.K., as at 31st March 2021 is Nil . The company has made provision for doubtful debts and diminution in investments against these receivables and investments. A winding up order was made against the Subsidiary on 7th November 2016. Pursuant to the winding up proceedings the subsidiary was dissolved on March 11, 2018.

(b) Trade Receivables :

Ageing Analysis of the Trade Receivables :

Particulars	0-30 days past due	31-90 days past due	91-180 days past due	>181 days past due	Total
Net Carrying Amount as on 31-03-2021	39,35,733	1,24,47,819	57,55,830	7,41,13,877	9,62,53,259
Net Carrying Amount as on 31-03-2020	1,78,09,565	3,18,56,156	1,55,16,031	1,39,73,314	7,91,55,066

(c) Others :

As per Ind AS 109, the financial instruments are to be presented at Fair Value. Accordingly, the item has been presented as follows :

Particulars	As at March 31, 2021	As at March 31, 2020
Original Amount of deposit	27,30,000	49,00,000
Discount Rate adopted (Max. Available FD rate in the Market)	7%	7%
Carrying Amount of the Asset	25,89,947	44,70,633
Fair Value Adjustment of the deposit through Profit and Loss Statement	1,21,526	2,92,471
Fair Value Adjustment of the deposit through Other Comprehensive Income made	-	-

(c) Financial Liabilities :

It is pertinent to note that there is no material Financial Liability item that needs to be re-stated at Fair Value in accordance with these Standards .

7 Disclosure pursuant to Ind AS 33 "Earnings per share"

Particulars	As at March 31, 2021	As at March 31, 2020
Basic earnings per equity share:		
Profit for the year attributable to owners of the Company for calculating basic earnings per share (`)	(2,27,27,505)	(1,00,93,374)
Weighted average number of equity shares outstanding for calculating basic earnings per share	1,33,24,800	1,33,24,800
Basic EPS	(1.71)	(0.76)
Diluted EPS	(1.71)	(0.76)

8 Disclosure pursuant to Ind AS 8 - Disclosure of prior period errors

There are no material prior period items requiring re-statement or re-classification of the items and figures of the comparative financial statements, during the year.

VXL Instruments Limited

1 Disclosure pursuant to the Micro, Small and Medium Enterprises Development (MSMED) Act 2006.

The following disclosure pursuant with Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act 2006

Particulars	As at March 31, 2021	As at March 31, 2020
1. The Principal and the Interest due thereon as at 31 st Mar,2021		
a) Principal	10,01,077	-
b) Interest	7,252	-
2. The amounts paid by the Company beyond the appointed day for the period ending 31 st Mar,2021		
a) Principal	-	-
b) Interest	-	-
3. The Interest due and payable for the period of delay (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
4. The interest accrued and remaining unpaid as at the year ending 31 st Mar, 2021	-	-
5. The amount of further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

The information has been given in respect of such suppliers on the basis of information available with the Company based on information received from such suppliers.

2 Disclosure pursuant to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates :

(a) Value of Imports calculated on CIF basis:

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Raw Materials	21,02,344	4,05,59,158
(ii) Components and Spare parts	-	-
(iii) Capital Goods	-	-
Total	21,02,344	4,05,59,158

(b) Expenditure in Foreign currency on account of:

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Foreign Travel		2,77,521
(ii) Professional, Consultancy and Foreign Technician	-	2,00,992
(iii) Others	-	12,000
Total	-	4,90,513

3 Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"

(a) Primary/Secondary Segment reporting :

The risk return profile of the Company's business is determined based on the geographical area in which it operates. Therefore, Geographical Segments have been identified as Primary Segments

(b) Secondary Segments have been identified on the basis of the nature of products manufactured by Company.

(c) Segment assets and liabilities :

Fixed assets used in the Company's business and liabilities contracted have not been identified to any of the reportable segments as the fixed assets and services are used interchangeably between segments.

Description	As at March 31, 2021	As at March 31, 2020
Primary Segments (Geographical Segments)		
<u>Segment Revenue</u>		
(a) Domestic Segment	3,90,63,515	9,37,12,338
(b) Export Segment	3,75,88,982	9,87,24,222
Net sales/income from operations	7,66,52,496	19,24,36,560
<u>Segment Results</u>		
Domestic	1,15,57,186	3,24,12,200
Overseas	1,11,20,936	3,41,45,656
Segment Results before tax & Finance costs &	2,26,78,122	6,65,57,856
Less :		
Finance Costs	46,55,713	90,01,084
Other unallocable expenditure / (Income)	6,03,50,047	6,71,35,685
Exceptional Items	3,19,84,203	(25,297)
Profit / (Loss) Before Tax	(1,03,43,435)	(96,04,210)
Less : Provision for Taxes	1,23,47,327	-
Profit / (Loss) After Tax	(2,26,90,762)	(96,04,210)
Secondary Segments (Business Segments)		
<u>Revenue (Sales and Services)</u>		
Data Processing Units	7,51,58,341	19,17,09,229
Service Charges	14,94,155	7,27,331
Total	7,66,52,496	19,24,36,560

4 Disclosure of related parties / related party transactions pursuant to Ind AS - 24 :

(i) Parties where control exists

Name of the Related Party

VXL Instruments Limited (UK)

Nature of Relationship

Subsidiary. The Company holds 60% in the nominal value of equity share capital

(ii) Other related parties with whom transactions were carried out during the year

Name of the Related Party

Priya Limited

VXL Software Solutions Pvt. Ltd

Brent Properties Investment Private Ltd

Delta Technologies Limited

Nature of Relationship

Company in which a Director is interested

(iii) Key management personnel and their relatives

Mr. M.V. Shetty

Mrs. Mini Bhuwania

Mr. Rishabh Shetty

Mr. Kishan S Rao

Mr. Mahesh Kumar K V

Whole-Time Director

Director Appointed from 30th July 2020

Son of Mr. M.V. Shetty, Whole Time Director

CFO till Jan 2021

CFO from Feb 2021

VXL Instruments Limited

(iv) Related party Transactions :

Particulars	As at March 31, 2021	As at March 31, 2020
<u>1. Transactions</u>		
Sale of Goods		
Priya Limited	12,796	1,32,29,064
Delta Technologies Limited	2,41,33,675	4,62,88,156
VXL Software Solutions Pvt. Ltd	17,12,319	9,45,836
Sale of services		
PRIYA LIMITED - Repairs & Maintenance	-	57,750
Lease Rent - Priya Ltd	35,400	30,000
Purchase of Goods		
PRIYA LIMITED	-	1,32,945
VXL Software Solutions Pvt. Ltd	25,02,015	23,11,935
Re-imburement of Expenses		
PRIYA LIMITED -Service charges	10,470	-
Remuneration paid to Directors		
Mr. M.V. Shetty	28,80,000	28,80,000
Sitting Fees		
Sitting fees	1,45,000	2,59,000
Remuneration paid to Related Parties		
Mr. Rishabh Shetty	7,18,488	7,11,256
Mr. Kishan S Rao	11,99,519	15,13,836
Mr. Mahesh Kumar K V	7,02,511	-
Rent Paid		
Brent Properties Investment Pvt Ltd	12,43,125	6,00,000
<u>2. Account Balances :</u>		
Non Current Assets - Trade Receivables- Credit Impaired		
VXL Instruments Limited, UK	4,61,72,358	4,61,72,358
Less : Allowance for Bad and Doubtful Debts	4,61,72,358	4,61,72,358
Creditors for Expense- Short Term		
Brent Properties Investment Pvt Ltd	1,65,750	-
Trade Payables		
Priya Limited	10,470	-
VXL Software Solutions Pvt. Ltd	4,02,022	-
Trade Receivables		
Delta Technologies Limited	5,59,29,520	3,24,13,594
Non current Investments		
VXL Instruments Limited, UK	51,69,261	51,69,261
Less: Provision for diminution in value of Investments	51,69,261	51,69,261

5 Disclosures pursuant to Ind AS - 116 " Leases" :

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") of and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

The effect of this adoption is insignificant on the operating profit, net profit for the period and earnings per share. Ind AS 116 resulted in an increase in cash outflows from financing activities on account of lease payments

6 Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets"

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Contingent liabilities		
Guarantees		
Counter Guarantees in respect of guarantees issued by Bankers (Covered by 100% Deposits)	32,18,040	32,18,040
Other money for which Company is contingently liable		
(i) Employee Provident Fund Damages, Interest under appeal	3,36,896	3,36,896
(ii) Central Sales Tax liability under appeal	59,73,220	59,73,220
(iii) Service Tax Liability under dispute on the import of software license sticker labels considered as goods by Customs while importing	12,78,92,260	12,78,92,260
(iv) Cenvat Credit Refund under dispute. Matter under appeal with Commissioner of Central Excise.	4,31,734	4,31,734

Sl. No. i: The Honourable High Court of Karnataka has directed the Assistant Provident Commissioner to consider the grievance of the Company for reducing the penalty.

Sl. No. ii: Karnataka High Court disposed off the sales tax review petition filed by the assessee with a direction to the Assessing Officer to consider rectification application. Matter is pending before the jurisdictional local vat officer.

Sl. No. iii: In respect of Service Tax pending before the Commissioner Appeals and Customs Excise and Service Tax Appellate Tribunal (CESTAT), the Company's Consultants are of the opinion that the Company has good chances of winning the case and hence no provision has been made for the same.

Sl. No. iv. Disallowance of unutilised cenvat credit for which Company has preferred appeal before Commissioner of Appeals. Pending disposal of appeal, no provision is made.

VXL Instruments Limited

7 Figures of the previous year have been re-cast / re-grouped / re-arranged in conformity with the presentation of the current year.

8 In the opinion of the Board, the current assets, loans & advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

For and on behalf of the Board

As per our report attached of even date

For YCRJ & ASSOCIATES

Chartered Accountants

Firm's Registration No: 0006927S

Vijayendra R Nayak

Partner

M. No. 203184

Place: Bangalore

Date: 28.06.2021

ICAI:UDIN:21203184AAAAGL7767

Mini Bhuwania

Director

DIN : 08640692

M. V. Shetty

Wholetime Director

DIN : 00515711

Roopa Hegde

Company Secretary

Mahesh Kumar K V

Chief Financial Officer

VXL Instruments Limited**INFORMATION FOR THE BENEFIT OF INVESTORS**

1. Registered office: : #252, 5th Floor, Building No.2,
Solitaire Corporate Park,
Chakala Andheri (East), Mumbai - 400093
Tel: 91 22 2824 5210
Fax: 91 22 4287 2197
Website : www.vxl.net
CIN : L85110MH1986PLC272426
E-mail : cfo@vxl.net or cs@vxl.net
2. Registrars and Share Transfer Agent details : Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai – 400 059
Tel: 022-62638200
Fax : 022-62638299
Email: info@bigshareonline.com
Website: www.bigshareonline.com
3. Year ended on : 31st March 2021
4. 35th Annual General Meeting : Date - 27th September, 2021
Time - 12.00 Noon
Venue - Video Conferencing ("VC")
5. E-Voting Dates : Starts on 24.09.2021 9.00 am to
26.09.2021 5.00 pm
6. Register of Members & Share Transfer Book Closure : 21.09.2021 to 27.09.2021
(both days Inclusive)
7. Result Date : 31st March 2021
8. Shares listed in Stock Exchange at : BSE Limited
9. Annual fees to Stock Exchanges : Paid up to date (Mumbai)
10. Paid – up Share Capital : Rs. 1332.48 Lakhs