

VELAPAN SYSTEMS PRIVATE LIMITED**Balance Sheet***(All amounts are in Indian Rupees Thousands except share data and unless otherwise stated)*

	Note	As at 31 March 2023	As at 31 March 2022
I ASSETS			
1 Non current assets			
a. Financial assets			
- investments	3	-	6,510.00
b. Other non current assets			-
		-	6,510.00
2 Current assets			
(a) Financial assets			
- cash and cash equivalents	4	5,596.76	90.00
- bank balances other than cash and cash equivalents		-	-
(c) Other current assets		-	-
		5,596.76	90.00
TOTAL OF ASSETS		5,596.76	6,600.00
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	5	6,600.00	6,600.00
(b) Other equity	6	(1,078.23)	(25.00)
TOTAL OF EQUITY		5,521.77	6,575.00
2 LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
- long term borrowings		-	-
(b) Deferred tax liability, net		-	-
Total of non-current liabilities		-	-
Current liabilities			
(a) Other current liabilities	7	75.00	25.00
Total of current liabilities		75.00	25.00
TOTAL OF LIABILITIES		75.00	25.00
TOTAL OF EQUITY AND LIABILITIES		5,596.77	6,600.00

Summary of significant accounting policies 1 & 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **SVRJ & Co LLP**
Chartered Accountants
Firm Reg. No. 013164S/S200064

For and on behalf of the Board of Directors of
VELAPAN SYSTEMS PRIVATE LIMITED
CIN: U72900TG2022PTC160522

Rakesh Jain
Partner
ICAI M. No. 218197

Shridhar Thathachary
Director
DIN: 0000720272

Vivek Kumar
Director
DIN: 0009533455

Place: Hyderabad
Date: May 27, 2023

Place: Hyderabad
Date: May 27, 2023

Place: Hyderabad
Date: May 27, 2023

UDIN: 23218197BGXNEN5042

VELAPAN SYSTEMS PRIVATE LIMITED**Profit and Loss Statement**

(All amounts are in Indian Rupees Thousands except share data and unless otherwise stated)

	Note	For the year ended 31 March 2023	For the period 14 March 2022 to 31 March 2022
I Revenue			
Revenue from operations		-	-
Other income		7.77	-
II Total revenue		<u>7.77</u>	<u>-</u>
III Expenses			
Employee benefit expenses		-	-
Depreciation		-	-
Other expenses	8	1,061.00	25.00
Total expenses		<u>1,061.00</u>	<u>25.00</u>
IV Profit/(Loss) before tax (II - III)		(1,053.23)	(25.00)
V Tax expense			
- Current tax expense		-	-
- Deferred tax expense / (income)		-	-
		<u>-</u>	<u>-</u>
VI Profit/(Loss) for the year (IV - V)		<u>(1,053.23)</u>	<u>(25.00)</u>
VII Earning per equity share	10		
Basic earnings per share (face value of INR 10 per share)		(1.60)	(0.10)

Summary of significant accounting policies 1 & 2

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As per our report attached.

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VELAPAN SYSTEMS PRIVATE LIMITED**Statement of changes in equity**

(All amounts are in Indian Rupees Thousands except share data and unless otherwise stated)

Particulars	Equity share capital	Other equity		Total attributable to owners of the company
		Reserves and Surplus Retained earnings	Other comprehensive income	
Transactions with owners, recorded directly in equity				
Issue of shares during the year	6,600.00			6,600.00
Profit for the year		(25.00)		(25.00)
Other comprehensive income/(loss) (net of tax)			-	-
Balance as on March 31, 2022	6,600.00	(25.00)	-	6,575.00
Issue of shares during the year	-			-
Profit for the year		(1,053.23)		(1,053.23)
Other comprehensive income/(loss) (net of tax)			-	-
Balance as on March 31, 2023	6,600.00	(1,078.23)	-	5,521.77

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

As per our report attached.

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CIN: U72900TG2022PTC160522

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Date: May 27, 2023

VELAPAN SYSTEMS PRIVATE LIMITED**Cash flow statement***(All amounts are in Indian Rupees Thousands except share data and unless otherwise stated)*

	For the year ended 31 March 2023	For the period 14 March 2022 to 31 March 2022
A. Cash flow from operating activities		
Profit before tax	(1,053.23)	(25.00)
<i>Adjustments for non-cash & non operating items</i>	-	-
- loss on sale of investments	1,010.00	
<i>Adjustments for changes in working capital changes:</i>		
- increase in other current liabilities	50.00	25.00
Cash flow from operating activities	6.77	-
B. Cash flow from investing activities		
Acquisition of common stocks of fellow subsidiaries	-	(6,510.00)
Proceeds from sale of investments	5,500.00	
Cash flow from investing activities	5,500.00	(6,510.00)
C. Cash flow from financing activities		
Proceeds from issuance of equity shares to parent company	-	6,600.00
Cash flow from financing activities	-	6,600.00
Net change in cash and cash equivalents	5,506.77	90.00
Cash and cash equivalents at the start of the period	90.00	-
Cash and cash equivalents as at the end of the year	5,596.77	90.00

Note:

Cash and cash equivalents at the end of the year comprises of:

	As at 31 March 2023	As at 31 March 2022
Balances with bank - in current account	5,596.76	90.00
	5,596.76	90.00

Summary of significant accounting policies

1 & 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For SVRJ & Co LLP

Chartered Accountants

Firm Reg. No. 013164S/S200064

For and on behalf of the Board of Directors of

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VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in INR thousands, unless otherwise stated)

1. Company overview

VELAPAN SYSTEMS PRIVATE LIMITED (“the Company”) was incorporated in the year 2022, in accordance with the provisions of the Indian Companies Act, 2013 (“the Act”) and is a limited liability company. The Registered Office of the company is located at 1st floor, Block - 3, My Home Hub, Madhapur, Hyderabad, Telangana - 500 081 India. The Company is engaged in the business of providing Information Technology services to customers.

2. Summary of significant accounting policies

(a) Basis of preparation of financial statements

The Financial Statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

Disclosures under IND AS are made only in respect of material items and in respect of the items that will be useful to the users of Financial Statements in making economic decisions.

(b) Basis of measurement

The Financial Statements have been prepared on going concern basis and on an accrual method of accounting. Historical cost is used in preparation of Financial Statements except for the following items which are measured at Fair value:

- i) Certain Financial assets and liabilities
- ii) Net Defined benefit (Asset)/ Liability

(c) Functional and Presentation currency

The Financial Statements are presented in Indian Rupees (INR), which is the Company’s functional currency. All financial information presented in INR has been rounded to the nearest thousands, except as stated otherwise.

(d) Use of estimates and management judgement

The preparation of Financial Statements in conformity with the accounting policies requires the management to make estimates and assumption considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialize.

VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in INR thousands, unless otherwise stated)

2. Summary of significant accounting policies (continued...)

(e) Current and non-current classification

The Company presents assets and liabilities in the Balance Sheet based on Current / Non-Current classification.

An asset is treated as Current when it is

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when

- i. It is expected to be settled in normal operating cycle,
- ii. It is held primarily for the purpose of trading,
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(f) Property, plant & equipment

i) Initial and Subsequent Recognition:

All items of Property, Plant and equipment (PPE) are measured at Historical cost, which includes capitalised borrowing cost less accumulated depreciation and impairment loss, if any.

Items of spare parts, standby equipment and servicing equipment which meet the definition of property, plant and equipment are capitalised. Other spare parts are carried as inventory and recognised in the Statement of Profit and Loss on consumption.

Where the cost of depreciable assets has undergone a change during the year due to increase/ decrease in long term liabilities on account of exchange fluctuation price adjustment, change in duties or similar factors, and the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/ amortization.

Spare parts are recognised when they meet the definition of Property, Plant and Equipment, otherwise, such items are classified as inventory.

The Property, Plant and equipment of the Company are physically verified in a phased manner to cover all the items of PPE over a period of three years, which in the Management's opinion, is reasonable having regard to the size of the Company and the nature of its assets. Property, Plant and Equipments are capitalised when the assets are ready for their intended use and when occupancy certificate is received in respect of immovable properties.

VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in INR thousands, unless otherwise stated)

2. Summary of significant accounting policies (continued...)

(f) Property, plant & equipment (continued...)

ii) Depreciation

Depreciation is recognised in Statement of Profit and Loss on a straight – line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Depreciation on additions to/ deductions from property, plant and equipment during the year is charged on pro – rata basis from/ up to the month in which the asset is available for use/ disposed.

iii) Capital work – in – progress:

The cost of self – constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis of the cost of related assets.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

(g) Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in IND AS 7 “Cash Flow Statement”.

(h) Income Tax

Income tax expense comprises Current and Deferred tax. Current Tax expense is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in Other Comprehensive Income (OCI) or Equity, in which case it is recognised in OCI or Equity.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences.

Deferred tax assets are recognized for all temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

Deferred Tax expense is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in Other Comprehensive Income (OCI) or Equity, in which case it is recognised in OCI or Equity.

VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in INR thousands, unless otherwise stated)

2. Summary of significant accounting policies (continued...)

(i) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(j) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure of the contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

(k) Employee benefits

Short term employee benefits:

Short Term Employee Benefits for service rendered is recognised during the period when the services are rendered.

Defined contribution plan:

Contributions to defined contribution plans are recognized as expenses when employees have rendered services entitling them to such benefits.

Defined benefit plan:

For defined benefit plans, the cost of providing benefits using the projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date. Actuarial gains and losses are recognised in full in the other Comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as expenses at the earlier of (a) when the plan amendment or curtailment occurs: and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any assets resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme. The company doesn't have any outstanding defined benefit plans as on the reporting date.

(l) Borrowing Cost

Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Borrowing costs include interest, amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in INR thousands, unless otherwise stated)

2. Summary of significant accounting policies (continued...)

(m) Earnings Per Share

Basic earnings per share are computed by dividing the net profit/loss after tax attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit/loss after tax attributable to the equity shareholders of the company as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(n) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured at the fair value consideration received or receivable and collectability is reasonably assured.

Income from services:

Revenue from software development on time and material basis is recognized based on software developed and billed to clients as per the terms of specific contracts. In the case of fixed-price contracts, revenue is recognized based on the milestones achieved as specified in the contracts or on the percentage of completion basis. Provision for estimated losses on incomplete contract is recorded in the period in which such losses become probable based on the current estimates. Revenue from product licenses and related revenue are recognized as follows:

- License fees, on delivery and subsequent milestone schedule as per the terms of the contract with the end use
- Product maintenance revenues, over the period of the maintenance contract ***Interest income:***

Income from interest on deposits, loans and interest-bearing securities is recognised on the time proportionate method.

(o) Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the Financial Statements and are disclosed in the Notes. A Contingent asset is neither recognized nor disclosed in the Financial Statements.

VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in INR thousands, unless otherwise stated)

2. Summary of significant accounting policies (continued...)

(p) Financial Instruments

All Financial Assets and Liabilities are recognised and measured initially at fair value adjusted by transaction cost, except for those carried at fair value through Profit or Loss which are measured initially at fair value.

Financial Assets

For the purpose of subsequent measurement, Financial Assets are classified into following categories upon initial recognition:

- Amortised cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets Amortised Cost

A financial asset is measured at amortised cost using effective interest rates if both of the following conditions are met:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designed at FVTPL upon initial recognition. All derivative financial instruments also fall into this category. Assets in this category are measured at fair value with gains or losses recognised in profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at FVOCI

FVOCI financial assets are either debt instruments that are managed under hold to collect and sell business model or are non – trading equity instruments that are designated to this category. FVOCI financial assets are measured at fair value. Gains and losses are recognised in Other Comprehensive Income, except for interest and dividend income and foreign exchange differences on monetary assets, which are recognised in statement of profit and loss.

VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in INR thousands, unless otherwise stated)

2. Summary of significant accounting policies (continued...)

(q) Financial Instruments (continued...)

Financial Liabilities

Initial recognition and measurement

All financial liabilities are initially recognised at Book value and in the case of loans and borrowings and payables, net of attributable transaction costs (example: Upfront processing fees). The company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts and financial guarantee contracts.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss. All derivate financial instruments are accounted for at FVTPL.

VELAPAN SYSTEMS PRIVATE LIMITED**Notes annexed to and forming part of the Financial Statements***(All amounts are in Indian Rupees Thousands except share data and unless otherwise stated)*

	Note	As at 31 March 2023	As at 31 March 2022
3 Investments			
<i>Investment in fellow subsidiary</i>			
a) Nil (previous year - 6,51,000) equity shares of Nelatop Systems Private Limited Percentage holding - Nil (previous year - 10.00%)		-	6,510.00
		-	6,510.00
Note:			
During the year ended March 31, 2023, the company had sold its investment in Nelatop Systems Private Limited for a consideration of INR. 55 Lakhs, resulting to a loss of INR 10.10 Lakhs to the company.			
4 Cash and cash equivalents			
Balances with bank - in current account		5,596.76	90.00
		5,596.76	90.00
5 Equity share capital			
Authorised			
1,000,000 equity shares of INR 10.00 each		10,000.00	10,000.00
		10,000.00	10,000.00
Issued, subscribed and paid-up capital			
660,000 equity shares of INR 10.00 each		6,600.00	6,600.00
		6,600.00	6,600.00

Notes:**5.1 Reconciliation of equity shares:**

	As at 31 March 2022		As at 31 March 2023	
	Number	Amount	Number	Amount
At the beginning of the year	-	-	660,000	6,600
Subscribed as per Memorandum of Association (MoA)	10,000	100.00	-	-
Subscriptions pursuant to Rights issues during the year	650,000	6,500.00	-	-
Outstanding at the end of the year	660,000	6,600.00	660,000	6,600.00

5.2 Terms attached to equity shares:

The Company has only one class of equity shares. Each shareholder is eligible for one vote per share held. The par value per share is INR 10.00

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

5.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Share holder	As at 31 March 2023	
	%	No. of shares
Megasoft Limited	100%	659,999
	100%	659,999

5.4 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in Indian Rupees Thousands except share data and unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
6 Other equity		
Retained earnings:		
- Opening balance	(25.00)	-
- Profit / (loss) for the year	(1,053.23)	(25.00)
	(1,078.23)	(25.00)
7 Other current liabilities		
Other payables	75.00	25.00
	75.00	25.00

	For the year ended 31 March 2023	For the period 14 March 2022 to 31 March 2022
8 Other expenses		
Loss on sale of investments (Refer note No. 3)	1,010.00	-
Audit fee	50.00	25.00
Other expenses	1.00	-
	1,061.00	25.00

9 Financial Ratios

Ratio	Numerator	Denominator	Current Period
Current Ratio	5,596.76	75.00	74.62
Debt Equity Ratio	-	5,521.77	0%
Debt Service Coverage Ratio	NA	NA	NA
Return on Equity Ratio	(1,053.23)	5,521.77	-19%
Inventory Turnover Ratio	NA	NA	NA
Trade Receivable Turnover Ratio	-	-	-
Trade Payables Turnover Ratio	-	-	-
Net capital turnover ratio	-	50.00	0%
Net profit ratio,	(1,053.23)	-	0%
Return on Capital employed	(1,053.23)	5,521.77	-19%
Return on investment	NA	NA	NA

Basis for Calculating above Ratios as below

- | | |
|-------------------------------------|---|
| 1. Current Ratio | = Current Assets/Current liabilities |
| 2. Debt -Equity Ratio | = Total Debt/Shareholders Equity |
| 3. Debt Service Coverage Ratio | = Earnings available for debt service /Debt Service |
| 4. Return on equity | = Net Profit after Tax/Average Shareholders Equity |
| 5. Inventory Turnover Ratio | = Sales/Average Inventory |
| 6. Trade Receivables Turnover Ratio | = Net Credit Sales/Avg Account Receivable |
| 7. Trade Payables Turnover Ratio | = Net Credit Purchases/Avg Trade Payables |
| 8. Net Capital Turnover Ratio | = Net Sales/Working Capital |
| 9. Net Profit Ratio | = Net Profit /Net Sales |
| 10. Return on Capital Employed | = Earnings before interest and Tax/Capital Employed |
| 11. Return on investment | = (Closing Market price- Opening Market price)/Opening Market |

VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in INR thousands, unless otherwise stated)

10. Earnings per share

Particulars	For the year	For the period
	ended 31 March 2023	10 March 2022 to 31 March 2022
Loss attributable to shareholders of the company (in INR '000s)	(1,053.23)	(25.00)
Weighted average number of shares	660,000	257,619
Earnings per share – Basic	(1.60)	(0.10)
Earnings per share – Diluted	(1.60)	(0.10)

11. Related party disclosures

a) List of related parties:

Nature of related party relationship	Name of the related party
i) Holding Company	Megasoft Limited, India
ii) Fellow subsidiaries	Nelatop Systems Private Limited
iii) Key managerial personnel (KMPs)	Shridhar Thathachary (Executive Director)

b) Transactions with related parties

	For the year	For the year
	ended 31 March 2023	ended 31 March 2022
Equity infusion from holding company (in INR '000s)	-	6,600
Equity infusion in fellow subsidiary company (in INR '000s)	-	6,510

c) Balance outstanding at the end of the year

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Receivable / payable to related parties	-	-

12. Other Statutory information

- There are no proceedings initiated or pending against the company as at March 31, 2023, under Prohibition of Benami Property Transaction Act, 1988 (As amended in 2016)
- The Company do not have any transactions with companies struck off as per Section 248 of the Companies Act, 2013 and Section 560 of the Companies Act, 1956.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

VELAPAN SYSTEMS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

(All amounts are in INR thousands, unless otherwise stated)

11. Other Statutory information (continued...)

- e. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g. The Company do not have any such transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- h. The company is not declared a willful defaulter by any bank or financial institutions or vendor.

12. Subsequent events

Subsequent events have been evaluated by management till the date that these statements were available for issuance.

13. Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 26, 2023.

14. Figures in Balance Sheet, Statement of Profit and Loss and Notes to audited financial statements have been rounded off to the nearest thousands and have been expressed in terms of decimals of thousands.

For **SVRJ & Co LLP**
Chartered Accountants
FRN. 013164S/S200064

For and on behalf of the Board of Directors of
VELAPAN SYSTEMS PRIVATE LIMITED
CIN: U72900TG2022PTC160522

Rakesh Jain
(Partner)
Membership no. 218197

Shridhar Thathachary
Director
DIN: 0000720272

Vivek Kumar
Director
DIN: 0009533455

Place: Hyderabad
Date: May 27, 2023

Place: Hyderabad
Date: May 27, 2023

Place: Hyderabad
Date: May 27, 2023

UDIN: 23218197BGXNEN5042