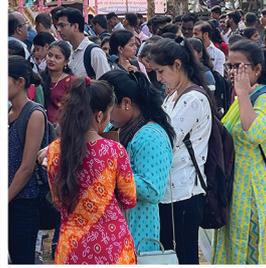
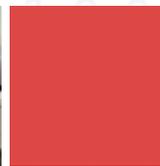


Varanium



# BUILDING THE PHY-GITAL ECOSYSTEM FOR THE #NEXTBILLION

Varanium Cloud Ltd  
Annual Report 2023



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India at 75+ is an entirely different beast.

With a voracious appetite for growth, sky-high aspirations, and immense capabilities to not just accomplish but exceed its expectations.

And these capabilities extend down to the grassroots.

But our grassroots are weak.

Unfortunately, they have been left out of the digital wave sweeping through the nation. Less than 50% of non-urban India has access to quality internet connections, a critical prerequisite for survival in today's digital world.

Unless we make this catalyst for success available to the common masses of today, achieving India's dream of attaining its rightful place in the world order a decade from now would be a far cry.

At Varanium, we are, in a small yet meaningful way, facilitating non-urban India to make their contribution to scripting India's growth story.

We are

**BUILDING  
THE PHY-GITAL  
ECOSYSTEM  
FOR THE  
#NEXTBILLION**



**HYDRA**  
WEB SOLUTIONS

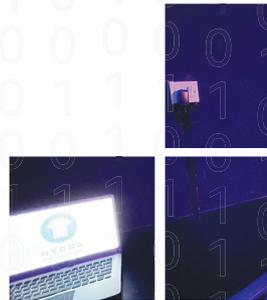
OUR CONTAINERISED EDGE DATA CENTERS



OUR UNIQUE PHY-GITAL EDUCATION SOLUTION



OUR EAAS (E-COMMERCE AS A SOLUTION) OFFERING FOR MSMES



# HYDRA

on edge

We Indians have become more virtual than we ever dreamt of... maybe a decade ago.

Today, we are obsessed with our tech gadgets (mobiles, laptops, tablets, smartphones, TV sets). Most of us spend most of our waking hours' screen gazing. It's the first thing we do when we wake up, up to the last minute before we crash out.

And this is across the board... be it a millionaire or the common person on the street. In urban and non-urban areas.

And what are we doing? Connecting. Engaging. Transacting. Hailing. Socialising. Entertaining. Relaxing. Banking. Contracting. The list is endless. And every time we generate data. Truckloads of data every minute of every day.

An Indian mobile user consumes 19.5GB data on average in a month in 2022.

# 19.5 GB data

on average in a month in 2022.

For managing this data flow, enterprises have pumped in multi-billion dollar investments in networks, data centers and the entire works.

As we progress, data consumption in India will explode owing to digital transformation sweeping across the Indian landmass and the advent of new technologies slowly creeping into our daily lives, such as 5G, Artificial Intelligent, the Internet of Things, Machine Learning etc.



It is expected that consumption will go up to

**50** GB data  
on an average per month by 2027.

Who will consume this data?

Rural India.

Here is what statistics say. According to a study conducted by Nielsen, India has 646 million active internet users aged two years and above at the end of December, 2021. But contrary to popular belief, rural India has 20% more internet users than urban India.

Active internet users above 12 years of age stands at 592 million. This number grew 37% in the previous two years. Internet users among rural people grew by 45% in the last couple of years, while city users grew 28% at the same time period.

Going forward, data consumption from non-urban India is going to explode.

The change whose time has come

The explosive growth will mean that what worked in the past may not work well in the coming days. We will need to make some changes to our data management ecosystem to manage data flow, processing and bandwidth and latency issues.

Enter

# EDGE COMPUTING.

Edge computing is one of the most recent buzzwords in the tech world. It is the science of capturing, processing and analysing data near to its creation point. This is done without transporting the data to another server environment in a centralised data center but instead processing it locally and possibly in real-time in the edge data center.

What is an Edge Data Center?

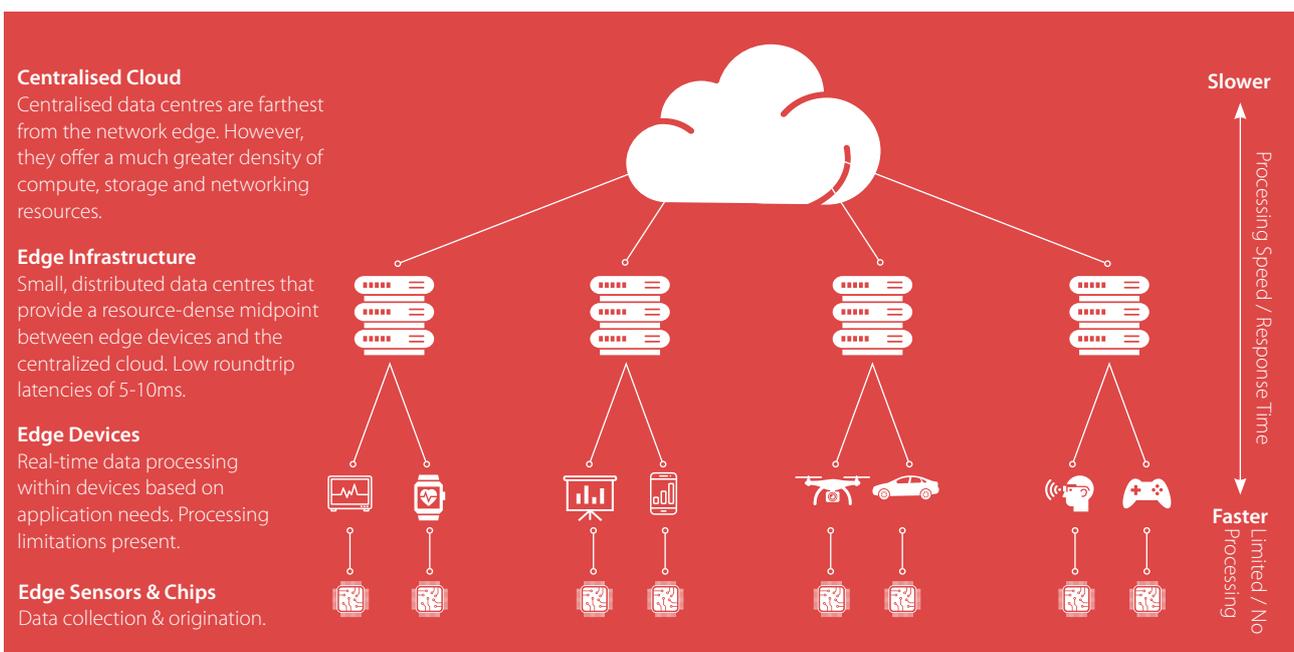
The edge data center is a hub hosting the edge server and works as a connection between two separate networks where devices can request data from one network to another.

The concept is to move data closest to the requesting machine to reduce the time the resources take to load. It allows quick and smooth traffic between the networks due to its proximity to the requesting machine and location inside an internet exchange point.

A vital characteristic of an edge center is its location and closeness to the population. It resides on the outer edges of an IP network, connects to a centralised cloud core in a data center, and can be managed remotely.

THE BOTTOMLINE... Edge Data Centers allows data to travel in real-time and seamlessly, without a traffic jam on networks.

The ecosystem of network architecture from the bottom up



# HYDRA

Under the Hydra vertical, we create edge data centres for reliable and efficient computing in non-urban cities or specific locations.

Our ethos of being different from the standard practice reflects our method of creating these data centers. We create our edge data centers in 20ft containers. You read it right... these are containers used in shipping that we have converted into data centers.

Containerised data center (CDC) is a new generation of tier 2 data center where an entire data center with redundancy is scaled down and moved inside a fixed wall container. These containers, usually fitted with integrated power and cooling solutions, are easily movable and known for their ease of system integration and reliability.

Their unique feature of being mobile allows it to be used anywhere. Also, their modular designs allow a scale-up/down as per clients' requirements in short timeframes.

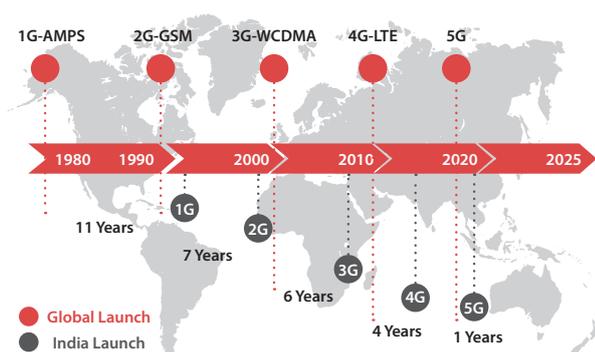
We commissioned our first data center in Panjim, Goa in December 2022, followed by our second installation at Kudal, Sindhudurg district and a third in Mumbai.

While expanding rapidly, edge computing is still in its infancy, and it will take time, but the surge in demand for Edge Data Centers will be real. Projections suggested accelerated growth from 2022 onwards, whereby 5G would be fully deployed globally, a critical underlying catalyst.

Service providers have launched 5G services in a phased manner across the nation. Credible estimates suggest that over 70 million 5G devices were shipped to India in 2022, indicating solid traction for 5G in the market. According to an Ericsson Mobility Report, 2021 edition, India will have 500 million 5G users by 2027, accounting for 39% of all mobile subscribers.

The writing on the wall is unmistakably clear. The Edge Data Center market is relatively straightforward for developing countries – edge technology is the platform of choice, and the future is about adoption, penetration, and applications. The opportunities on the other end are promising and lucrative; it is just a matter of aligning in the right direction. Enterprises that invest in edge data centers today will achieve a competitive edge.

## India will be an early adopter of 5G



We are the first in the Indian data center space to deploy mobile, self-contained data centers.

At Varanium, we have made a humble beginning. We plan to set up 24 CDC's under our Hydra Brand by the end of FY24.

### HydraWeb BPO and KPO Services

HydraWeb remains dedicated to revolutionizing the landscape of high compute, cost-effective BPO and KPO operations in non-urban areas.

HydraWeb's commitment to excellence in training and certifying professionals in BPO and KPO services has yielded remarkable results. With over 100 trained professionals currently onboard, we have witnessed substantial growth and expansion in our workforce. Anticipating a surge in demand, we expect the number of trained professionals to reach an impressive 1000 within the upcoming year providing data entry, accounting, background verification and telecalling services.

Our strategic decision to extend BPO services to non-urban areas has not only contributed to the empowerment of local talent but has also provided significant opportunities for businesses. By tapping into these Tier-2 regions, we have unlocked potential and facilitated market penetration for our partnering firms and clients. This approach has allowed businesses to establish a strong foothold in these promising markets, driving growth and market share expansion.

As we move forward, HydraWeb remains committed to pioneering advancements in the edtech and skills development space. We will continue to leverage our multi-use, phygital compute infrastructure to deliver high-quality, cost-effective BPO and KPO services while nurturing and certifying a skilled workforce.

### Our edge in our space



- 100% indigenous design aligning to the 'Atmanirbhar Bharat' call.
- Significantly more cost effective than peers operating in India who completely rely on imports.
- Can be deployed anywhere as they require little space – villages, jungles and even the basement of a building.
- The modular design allows seamless scale-up and scale-down with speed.



# EDMISSION

## Education with a mission

India is at the cusp of an extraordinary opportunity.

### Demographic

#### Dividend

The world is rapidly aging. But India is young. In the next few decades, India will become a talent powerhouse and the most significant contributor to the global workforce.

The average median age of India's populous is less than 29 years. In 2020, 67% of India's population featured in the working age group of 15-64 years. This segment is recognised as the demographic dividend.

India is currently at a tipping point, with the nation having already entered the golden period of 30 years between 2020 and 2050, when the working-age population will bulge.

With such a rich resource, India has an opportunity for fast-paced economic growth. A recent CII report mentions that if India's demographic dividend is productively employed, growth prospects will brighten, helping it to leapfrog its GDP



But this may all go to waste if this young population lacks the skills and education to reap the benefits.

#### Enter into the real world

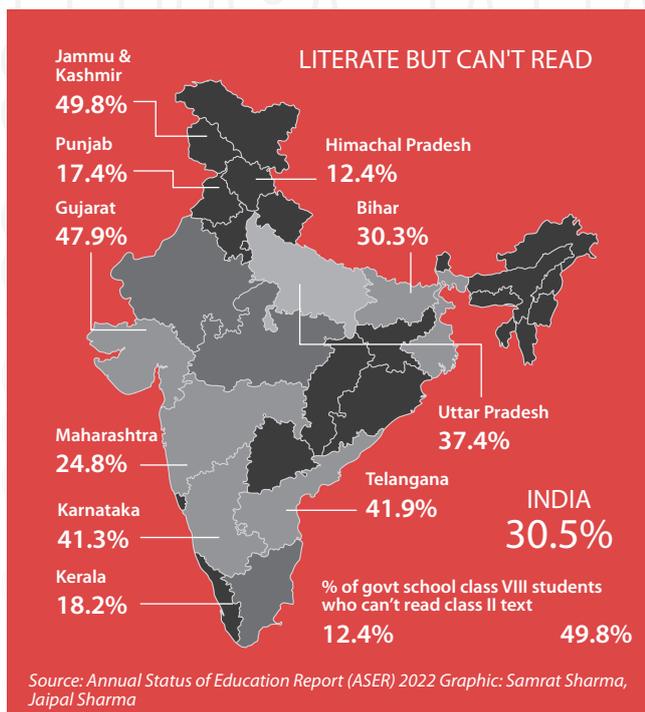
The anomaly is that India, the most populous nation in the world, is suffering from a lack of skilled workers.

College graduates are not fit for hiring. Employability is one of the biggest problems in India today. Students across the country have been demanding good quality education from the government. But unfortunately, the government has failed to address this issue on time.



By 2047, credible sources suggest that India's population in the working age group (15-64) will cross 1.1 billion, which is about 1.6 times the entire population of Europe.

## The appalling reality



Some of the salient features of our platform are:

- Full-fledged video conferencing solution that can support up to 1 million students and 2,000 teachers simultaneously
- Complete learning management tools, including unlimited whiteboards, presentation sharing, digital material distribution capability, note taking and online cloud storage
- Built for low bandwidth using our technology
- The institution requires no capital expenditure. All capex is incurred by Varanium.
- Varanium will provide all network connectivity for the institution for running the digital classes.

The grim situation is because probably more than ninety-five million kids do not attend school in India. And rural India accounts for a devastating majority of this figure.

Education is the most important means of empowering underprivileged people. Unfortunately, the current education scenario in rural areas is far from satisfactory. According to the Annual Status of Education Report 2022, nearly one in every four schools in rural India does not have basic facilities such as drinking water or toilets.

Currently, access to educational institutions does not seem to be a significant concern for rural schools. The biggest issue is the quality of education. While quality without access will result in inequality and exclusion, access without quality will severely impede the potential of India's future workforce.

Consequently, many of India's poor children study in underfunded schools and suffer from the low-quality education system. Low-income families cannot afford to send their children to private schools, which often offer better facilities. It has resulted in a skillset crisis in India as most students only complete their primary education and end up unqualified for most evolved jobs.

If the quality of education is improved in remote locations, it could be a game changer that will bridge the skill set gap between urban and rural India.

### Edmission – Education with a Mission

It is our core consumer offering - a purpose-built "phy-gital" platform that democratizes the education process of connecting the best educators globally to learners and allows learners their choice of educator, subject and style.

Edmission is the outcome of our belief that quality education is a right to learn, not a privilege. Just because children are poor and come from remote areas doesn't mean they should be deprived of quality education. A valuable skill set can change their life for the better.

As a result, Edmission places the best possible tools in the hands of educators to reach millions of deserving students. It is probably one of the few education platforms that consider device and bandwidth issues prevalent in developing areas and seeks to resolve them for the benefit of students, teachers and institutions.



Varanium’s education solution, a potent combination of its revolutionary technology and a holistic ecosystem, promises to bridge the digital divide.

**It’s up and running**

Our first Edmission Centre was launched in Sawantwadi, Maharashtra, in February of 2019 in line with our mission of ‘Building a phy-gital ecosystem for the next billion’.

The Company converted an old cow-dung dumping ground into a solid structure equipped with air-conditioned classrooms, computers, large streaming screens and dedicated servers. The Centre provides state-of-the-art learning facilities and quality educators to the residents of Sindhudurg.

Students from Sawantwadi come to the center to take up education and vocational training from teachers of their choice by utilising the best digital platform and tools to make learning a pleasurable experience.

Our educators provide online and offline courses that range from aiding supplementary academic education to vocational upskilling. The aim is to provide learners with knowledge and skills for improving their employability.

The ground and the Centre also offer visitors free WiFi, thus further bridging the gap between access to quality content and data.

This center is ground zero for Varanium. Moreover, it provides the Company with the perfect blueprint for contouring the entire ecosystem towards fulfilling its mission of bringing quality

education to the ‘next billion’ users who are still unable to enjoy the opportunities presented by the digital world and help them cross this divide.

More recently, Varanium tied up with the highly respected University of Mumbai, which has upgraded Sawantwadi as a sub-campus for the University. This recognition means that students can avail themselves of all the courses offered by Mumbai University in Sawantwadi.

As the next step, the Company will set up its second Edmission center at Kudal, for which it has secured the land. This center should be up and running in the current year (FY24).

**The Next Step**

For realising the full potential of a youthful India, experts have suggested the 3E mantra



It will appropriately channelise skill and knowledge into meaningful activity resulting in economic value for the nation.

Having covered the first two aspects with Edmission, Varanium has taken the next step – employment generation. The Company organised a job fair in Sawantwadi where youth were provided a platform to present their skills.



The Company created a BPO/KPO outfit under the Hydra brand that combined the positives of its Hydra and Edmission verticals. Located in non-urban pincodes, the BPO outfit promises to provide a disruptive cost advantage to its customers compared to BPO operations in urban districts.

At the job fair, the Company secured the first client for its BPO vertical. Secur Credentials entered into an agreement with brand HYDRA to provide high compute BPO & KPO operations in Sindhudurg!

Varanium started its BPO/KPO operations journey with 7 exclusive seats in December, 2022 and has grown into 131 seats by FY 2023 and has built a robust employment pool in Sindhudurg & Goa. These opportunities further fuel its vision of "Building the phy-gital ecosystem for the #NextBillion" and redefines cost structures for its clients.

### Client speaks

"We deeply believe talent knows no boundaries. And our first KPO set up proved us right. The level of talent and aptitude we witnessed in Sindhudurg is no different from any bigger metro city. It clearly, therefore, is only a matter of the right time and opportunities."

**Mr Rahul Belwalkar**  
 Managing Director & CEO  
 Secur Credentials Ltd

# TUG DIGITAL

## E-commerce as a Service

The Micro, Small, and Medium-Sized Enterprises (MSME) sector has become one of India's liveliest and most dynamic economic segments.

### India & MSMEs

The role of MSMEs in a market like India cannot be emphasised enough; their presence is not only relevant but essential. There were 80.16 lakh registered MSMEs as on March 31, 2022 – contributing close to 26% to India's gross domestic product (GDP). The sector generates about 12 crore jobs across industries/regions and is a significant wealth creator at the grassroots level.

In manufacturing alone, it employs 3.6 crore people while contributing 45% to India's manufacturing output. It is also an important contributor to exports, accounting for around 40% of India's total exports.

### MSMEs & E-commerce

The e-commerce marketplace is the best catalyst for the growth and development of MSMEs at minimal costs, investment and innovation.

For MSMEs, e-commerce is synonymous with economic stability, growth and security. It is a channel that allows MSMEs to showcase their products to a world audience without investing in expansion or changing locations. By removing the physical barrier, these platforms have empowered small businesses by providing a large customer base and consequently, widening their opportunity landscape .

The success of e-commerce in linking Bharat to India is one of the less-articulated stories of India's business ecosystem.

Only some years ago, few would have imagined that the stack would develop so



India's e-commerce sector is projected to reach

US\$ **300** billion  
by 2030.

beautifully – India today has the second highest number of mobile users in the world; online content is now available in not just English and Hindi but many other State languages, thus removing language barriers; the usage of smartphones has increased exponentially; mobile connectivity is getting better every day, and a robust digital payments ecosystem has developed to the extent that it is now the world's envy.

It is hardly surprising that the 2022 Global Payments Report by Worldpay from FIS projects that India's e-commerce market could surpass the US in terms of transaction value by 2025.

### MSMEs in the Spotlight

India increasingly relies on the MSME sector's power to accomplish its ambitious goals.

The Government of India aims to double its economy to US\$5 trillion by 2025. To realise this goal, MSME is considered a major

employment generator and, therefore, the creator of countless career opportunities for the young enthusiastic Indian populace.

The MSME ministry aims to double the number of MSMEs in the next five years with a focus on high-growth industries. In doing so, the ministry plans to boost its contribution to the GDP to 50% by 2025.

and realise the challenging target of US\$1 trillion in exports by 2027.

Moreover, with the Government's focus on creating an Atmanirbhar Bharat, the MSME sector has nowhere to go but up.

### On a high yet low

The pandemic saw the rise of countless brands, homegrown and otherwise, selling their products direct to consumers (DTC) while seeing an exponential rise in online shopping by customers worldwide.



### Client speaks

“We are a gold jewellery brand for young and aspiring women. Tug Digital has given us an excellent platform in the US market. They have immense knowledge of the market and what is required to get in and stay connected with consumers. They have taken care of everything from branding to the communication language, digital communication and the website and reaching the product to the end-consumer. We would have had to hire at least 4-5 agencies and manage all of them. We thankfully partnered with Tug Digital. We are getting end-to-end services under one roof. This is a superb service given by Varanium. We are getting fruitful results from this engagement.”

**Mangesh Chauhan**  
 Managing Director & Chief Financial Officer  
 Sky Gold Limited

One witnessed their neighbours, aunts and even local tailors going online to market their old and new goods. Most of these new-to-online selling brand manufacturers continue to navigate the intricacies of online selling.

Not only are new small businesses embracing digitalisation, but more and more existing MSMEs are going digital too. This is, however, far short of that achieved in countries like the US and China.

The percentage of Indian MSMEs that turned online grew from 32% in FY16 to 55% in FY20, as per data from RedSeer. To compare, in the US, 54% of small businesses used emails in 2017 and in China, 89% of the MSMEs were already digitally connected by 2015. The numbers indicate significant growth headroom regarding digital connections in India alone. This reality has been emphasised and articulated by leading policymakers.

**Case in point:** At the Amazon Sambhav Summit 2021, Nitin Gadkari, the Minister for MSMEs mentioned, “E-commerce will play a decisive role in the success of the Indian MSMEs, and the sector must ensure that this digital transformation happens at a pace that enables them to capitalise on current opportunities. Digitisation of millions of MSMEs should be a top priority”.

### The challenge

The MSMEs need extensive hand holding for them to realise their true potential. It requires a transparent and supportive business ecosystem that can allow it to focus on leveraging its expertise to grow the business.

More importantly, it needs agencies to bridge the gap between DTC sellers and their customers because, in most cases, MSMEs lack the expertise and management bandwidth to efficiently manage diverse functions, which are incredibly critical in scripting their success stories on the digital platform. They include brand building, creating awareness, and logistics, et al.

### Tug Digital

Realising this gap, Varanium initiated E-Commerce as a Service to facilitate Indian MSMEs’ jump onto the e-commerce bandwagon to unleash their true potential.

Varanium, over many years in the e-commerce space (through its group company), has built extensive capabilities in taking a product from the manufacturer’s warehouse to the end consumer through the e-commerce space.

Leveraging this knowledge and experience, the Company offers the entire services suite of end-to-end warehousing, packing, shipping, social media marketing, branding and brand building, setting up the payments platform and customer relationship management services to e-commerce businesses. In effect, Tug Digital is a one-stop solution for MSMEs aspiring to leverage the e-commerce platform.

This handholding enables MSMEs to focus their efforts on R&D and expanding their products and product lines. They can enjoy the benefits of the Company’s learning curve and economies of scale to power their businesses to the next level.

Varanium’s differentiation is its operating model – it’s not a transaction; it’s a journey. The Company’s revenue is platformed on the MSME’s success. Its income is linked to the revenue generation of the MSME through the e-commerce platform. As a result, Varanium is wholly invested in the continued success of the MSME.

For Varanium, the critical matrix of success is not only the number of clients it signs up but, more importantly, the depth of relation it builds with its existing clients



# OUR TECHNOLOGY. OUR BACKBONE.

To stand out among the clutter, every enterprise has a niche that makes it successful and sustains that success. At Varanium, our novel transportation technology positions us above our peers in our space.

Our proprietary technology can deliver cloud content and services at a much lower bandwidth. Allowing us to serve a massive base of underserved customers in pin codes where the internet bandwidth is low. Primarily non-urban locales.

## What is the mode of conventional streaming?

Specific standards of file formats, resolution and bandwidth restrict conventional streaming technology. It transports the entire file in one go, requiring several physical points of presence (where multiple copies of the file are saved) and ultimate proximity to the consumer for high-quality delivery. This process makes conventional streaming technology cumbersome and expensive.

## Our transportation technology

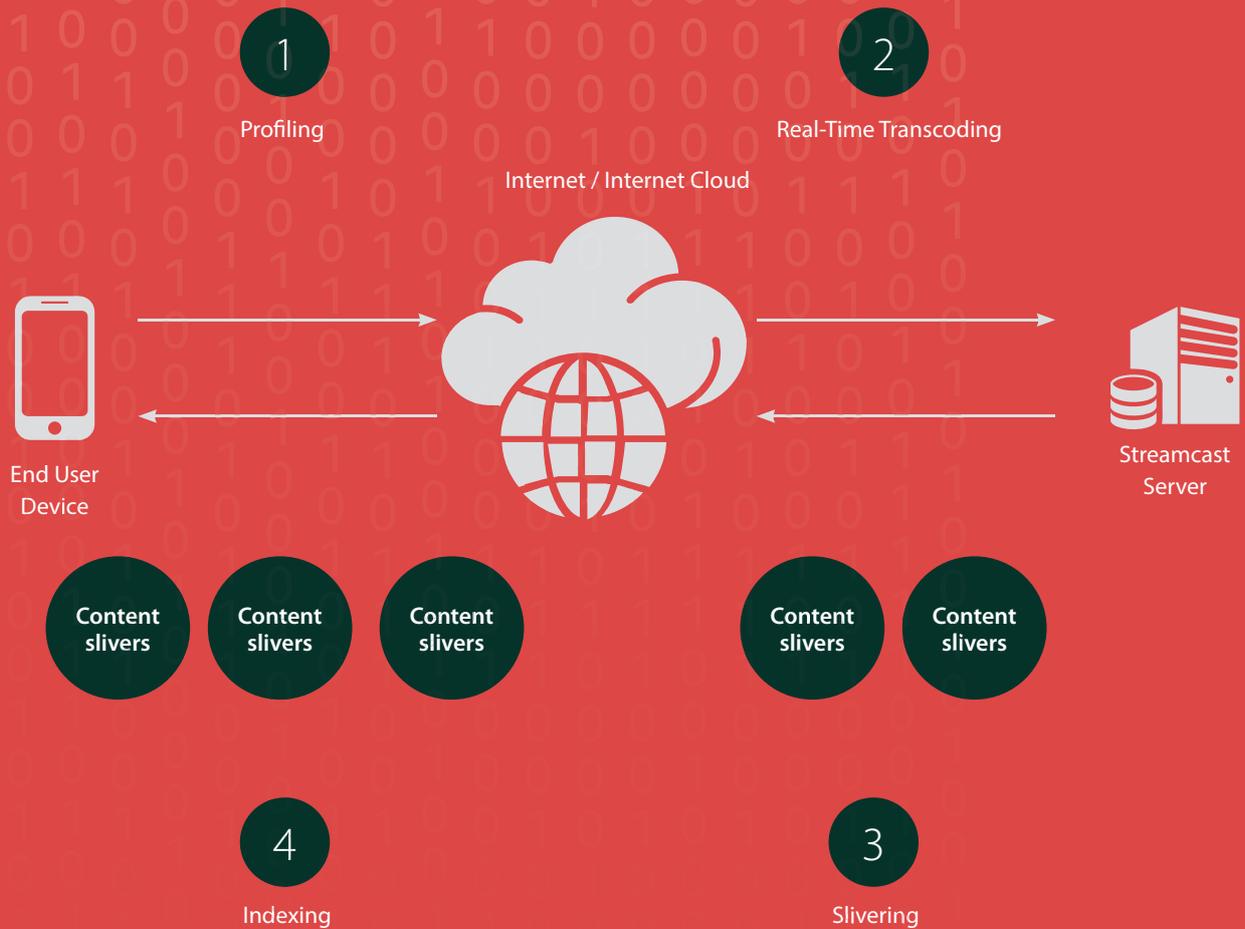
First, it profiles the recipient's device and IP parameters. Upon creating the profile, the server determines the fastest delivery route to the recipient's device. Depending on the parameters captured in the user profile, the server computes the maximum potential file size that the recipient's device can support. Then, it begins real-time transcoding.

The transcoded data file is split into smaller fragments or encrypted "slivers" of the size that can be transmitted through the lowest network speed available at the recipient end. An index is created to match the timestamps that the slivers represent to reconstruct the file from the data packets at the recipient end. Thus, the sender and the receiver are synchronised to enable the seamless streaming of data.

Moreover, our technology is device, type of screen and operating system agnostic. This means that the data can be delivered to any mobile device or screen, wired or wireless.

In a nutshell, our transportation technology customises transfers based on the customer's device and the internet bandwidth in her/his vicinity. Hence, we can service the entire nation and probably the world.

## Our Highly Disruptive Transport Technology



### Key Elements of our Technology

- 1) We start with profiling of the detailed end user device and network specs
- 2) Real-time transcoding to tailor content to maximum file size the user can support
- 3) Split transcoded file into encrypted slivers of the size that can be transmitted through lowest available network speed to end user
- 4) Server sends out an index of time stamps for each sliver to user device and our software arranges slivers in chronological order based on time stamps





# WHO ARE WE

About Varanium

# BETTING BIG ON NON-URBAN INDIA

We are an Indian technology company that singularly focuses on introducing the #NextBillion users from non-urban picodes into the digital world.

We are working on a mission to identify challenges faced by communities in non-urban areas and find digital solutions for these sizable but technologically unsophisticated communities and create a level playing field for them.

Incorporated as Streamcast Cloud Private Limited in 2017 and rechristened as Varanium Cloud Limited, we are a fast-growing technology company headquartered in Mumbai, India.

Spearheaded by Mr. Harshawardhan Sabale, as the Executive Chairman and Managing Director, our strong team of enthusiastic and energetic professionals provide services surrounding digital audio, video and financial blockchain-based streaming services.

Vision



To create possibilities & find solutions through technology. Breaking digital barriers for non-urban cities.

Mission



Varanium Cloud identifies existing limitations in small communities and finds digital solutions to solve them. Our aim is to mitigate technological gaps by introducing new-age digital tools that create equal opportunities.

Our key business verticals



Our people

**29 YEARS**

The average age of the team

**60%**

The proportion of females in our team

Our stability

₹ **14,115.80** lakh

Capital employed in the business (March 31, 2023)

₹ **176.87** lakh

Net Cash from Operations (FY23)

Our shareholder returns

₹ **82.03**

Earnings per share

Based on the proposed dividend for FY23

₹ **5**

Book value per share

The journey

# EXCITING AND SATISFYING



**2017**

**INCEPTION**

of Streamcast Cloud Pvt. Ltd.

**2019**

**LAUNCH OF JUMPTALK**

our VoIP Audio and Video Conferencing solution

**INAUGURATION**

of the Edmission Centre



**LAUNCH**

of Jump set-top boxes in Sawantwadi

**2021**

**RENAMED AS**

Varanium Cloud Ltd. (Conversion to Limited Company)

**LAUNCH**

of University of Mumbai sub-campus in the Edmission Centre, Sawantwadi

**DISTRIBUTION**

of Jump Set-Top boxes in Sawantwadi by Hon'ble Minister Deepak Kesarkar



**2023**

**LAUNCH** our first container edge data centre in Kudal.

**SECOND JOB FAIR**

was organised in Kudal

**LAUNCH**

of Model Career Centres(MCC)



**2018**

**LAUNCH OF BSNL X EDMISSION**

Hon. Chief Minister of Maharashtra State, Shri Uddhav Thackeray



**2020**

**LAUNCH**

of Edmission Digital Platform

**LAUNCH**

of Payment Gateway Services

**LAUNCH of Public WIFI**

Free Wi-fi mesh facility in Sawantwadi



**2022**

**EDIMISSON SPONSORED**

Konkan Now Premier League

Sawantwadi Press Association

Cricket Tournament

**LAUNCH**

of first Edge Data Centre in Goa

**First Job fair in Sawantwadi**

: 2000 attendees placing 750 candidates.

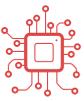
**LAUNCH** of Hydra BPO/KPO



Our edge

# WHERE WE SCORE ABOVE OTHERS

Securing a stable footing in a competitive marketplace is a long, hard slog. Moreover, arriving at a point where an enterprise has established its brand with customers is no small victory. But it is not the final victory. For the position secured never remains assured. This reality makes it essential to create a unique competitive moat that sustains the successful moat. The team at Varanium had done just that.



## 1) Low bandwidth technology

Varanium is a low-bandwidth technology service provider. This uniqueness makes it more accessible than any other player in this field. The Company uses end-user device specifications to tailor the content and deliver as per their internet speed. It increases the accessibility of its services across different demographics in different areas irrespective of the quality of the internet connection.

**VARANIUM'S SERVICES CAN BE ACCESSED BY ANYBODY, ANYWHERE**

## 2) Cost-effective technology platform

Varanium has developed proprietary technology for delivering content. Additionally, the Company owns data centers. The combination eliminates the reliance on other vendors for hardware or software needs, making its services increasingly cost-effective.

**IT IMPROVES VARANIUM'S PROFITABILITY**

## 3) Deep data insights

The realms of user data allow data mining opportunities that provide deep insights into user behaviour. This knowledge facilitates the Company to devise new technology and develop new and relevant products to enhance customer experience.

**IT ENHANCES THE STICKINESS TO THE VARANIUM BRAND**

## 4) Scalability & personalisation

Varanium has been able to master these diverse forces to its advantage. Owing to its home-developed technologies and operational efficiency has emerged as among the most scalable technology companies which can expand as per market demands. Also, owing to the critical technology edge, the Company is able to ideate and develop tailor-made solutions to suit customer requirements.

**THE UNIQUE COMBINATION POSITIVELY IMPACTS CUSTOMER SATISFACTION.**

## 5) Efficient & effective management

The Company's clear sense of mission, long-term focus and an experienced executive management team who have been with the Company for a considerable time has resulted in an innate ability to expand horizons by maximising the utilisation of existing resources and a culture of operational excellence.

**IT POSITIONS VARANIUM AHEAD OF THE COMPETITIVE CURVE.**





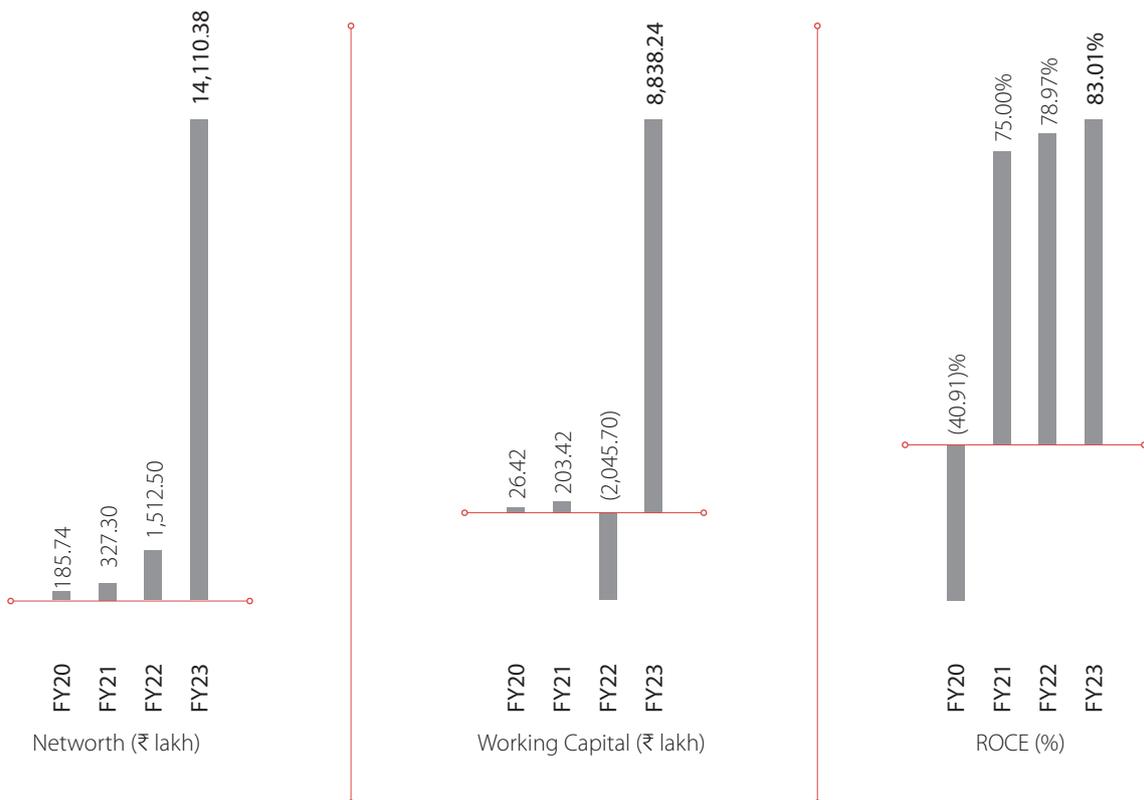
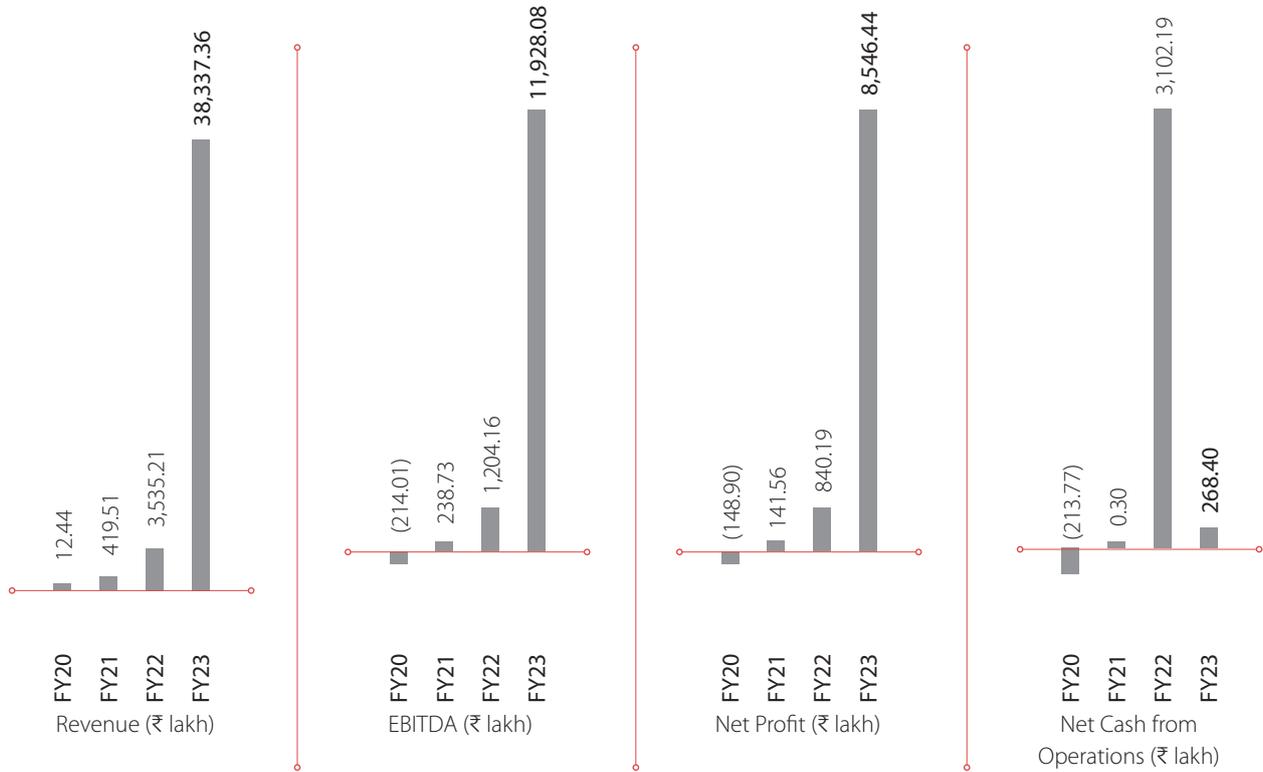
# MAKING A



# STATEMENT

Making a statement through

# OUR FINANCIAL PERFORMANCE



Making a statement through

# OUR BUSINESS GROWTH

At Varanium, FY23 has been particularly exciting as it covered considerable ground in its mission to include the non-urban conglomerates into the Digital Revolution transpiring in urban India.



## 1) Hydra

The Company launched three Edge Data Centers in FY23. The first proprietary designed Edge Data Centre launched in December 2022 is in Goa at Panjim. This was followed by the second installation in the town of Kudal in the Sindhudurg district. The deployment is housed within three standard-sized shipping containers. Its third Edge Data Center will soon launch in Mumbai in 2023.

## 2) Edmission

The student count and the courses offered at the Edmission Centre have shown a steady increase, owing to the growing awareness of the facility and a positive word of mouth among the locals. The Company acquired space at Kudal for its second Edmission center to come up in FY24.

## 3) Tug (E-commerce as a Service)

In addition to deepening the connect with existing brands, the Company added three new clients to its EaaS portfolio. The addition should make a positive impact on the performance and profitability of this revenue vertical.

## 4) VOIP SaaS (Software as a Service)

The goals under this vertical for acquiring new clients in Europe and Africa were partly met. The team is hopeful of completing its goal in the first half of the current year, before it sets for itself an even higher milestone.

## 5) Hydra BPO

The Company initiated a new revenue vertical leveraging the expertise and in-house resources from existing business verticals namely Hydra and Edmission. This BPO services utilises the Data Center and Network as its backbone and provides employment to deserving students from its Edmission vertical.

Statement from the Chairman's office

# IT'S GOING TO GET VERY EXCITING. READY?

## 984.44%

Revenue growth (y-o-y)

## 890.57%

EBITDA growth (y-o-y)

## 917.20%

Net Profit growth (y-o-y)

Dear friends,

It is an opportune time to connect with you through this piece. For two reasons, the fiscal year has just gone by and has been excellent in every aspect. Moreover, the fiscal that we entered promises to be exhilarating, considering the milestones we plan to cover.

Let's dive straight into the business. FY23 was thrilling, for we achieved almost every milestone planned at the beginning of the year. Our success is an exemplary showcase of the untiring efforts of the entire team, who have gone above and beyond to ensure we tick the right boxes at the right time. As a team, we made it happen. And we shared the spoils with our investors, who believed in our vision and supported us in our journey. We proposed a ₹10/- dividend per share (100% dividend) and a Bonus issue (1:1). Our performance demonstrates that we have remained firmly committed to delivering value to our stakeholders.

Coming to FY24. It's a mixed bag of growing existing verticals and adding robust growth levers that should, over a period of time, make a healthy contribution to business growth.

**VoIP is our mainstay.** This business is growing exponentially. Because every call made anywhere in the world, voice or video, is a data call. GSM technology connected us for years and is at the last leg of its useful shelf-life; in some nations, it is long forgotten.

We have an edge in carrying data calls. We deliver data calls across continents at a lesser cost. From a cost perspective, we believe that we are among the top three in the world to deliver VoIP down to multiple areas worldwide. As the world gets more connected digitally over the coming years, we stand to gain significantly. The potential in this space is immense.

In the VoIP space, we have a distributor model in place in the US, Europe and the Middle East – our Africa engagement should happen in the current year. In FY24, we plan to enter into direct engagement deals with the end customer, which will be margin accretive.

**In the Data Center space (Hydra),** our Mumbai edge center, which was scheduled to be operational by the end of FY23, was delayed a bit owing to the complexity of the real estate market in our financial capital. We hit the power button in the coming months. In addition, we plan to kickstart operations for 10-edge Data Centers.

Under the Hydra vertical, we started Hydra BPO, disrupting the BPO space. We started with five seats. Before we realized we were at 50+ seats. This year we plan to take it up to 500 seats; my internal target would be to inch closer to the four-figure mark. Why are we gung-ho about this piece?

I believe that Varanium has redefined the BPO sector rules. Operating out of a Tier 3 pin code, with an educated and committed workforce, we offer the same quality of service, if not better, as an urban BPO would, at a 30% lower cost. This differential, in today's day and age, is phenomenal. With an increasing number of companies outsourcing their non-core processes, the prospects for this vertical are promising. Even as I ink this piece, we have contracted for 200 seats. This new sub-vertical will emerge as a strong business and profitability driver over the next few years.

**In our education piece (Edmission),** we plan to open three new Edmission centres. One will be coming up at Kudal, which should be operational in the year's first half. With the Edmission umbrella, we are opening a flanking vertical, 'Powered by Edmission.' Under this piece, we will approach

schools and colleges (who have seen and appreciated what we have done at Sawantwadi) to deploy our technology to manage their back-end processes completely. This technology deployment will give their students an unparalleled experience (akin to an international education institute) and generate higher returns for the institution. We have tied up with one college in Mumbai. This engagement will become our showpiece to the education fraternity of the city and India. For us, this will be a great asset-light method of increasing the deployment of our technology and creating more new-age classrooms.

**Our EaaS vertical (Tug Digital)** is going places. The e-commerce space is growing at a frenetic pace owing to the change in consumer behavior, further accelerated by the pandemic. Today, every enterprise, big or small, wants to be part of this massive digital universe. I believe that our services in this space are unique. We not only get the enterprise in the e-commerce space, but we also manage everything ex-manufacturing. We do the branding, marketing logistics, payments etc. We make it convenient for their business to thrive. Having taken good strides in this vertical, we plan to add another ten clients in FY24.

We are launching a new service - **Cable Cloud Streaming.** Leveraging our streaming technology and Data Centers, we will deliver video streaming, such as OTT channels, license channels, IPTV etc., over low bandwidth to people's homes using our set-top box. To strengthen our presence in this space, we are in talks to acquire Fastway Transmissions Private Limited at a consideration of over ₹2,000 crore. We are doing a Preferential Issue to garner funds for this acquisition. We hope to accomplish the fund-sourcing plan and the acquisition in the current year. Fastway has a topline northward of ₹1,000 crore, which should get consolidated into the current financials once the acquisition deal is done. Moreover, it has a strong network mesh in its chosen markets which Varanium can utilize for its other verticals. It is a fascinating proposition.

I am delighted that we have our hands full. I continue to be supercharged to traverse the FY24 journey. Barring unforeseen developments, our dynamic team should ideally make FY24 another record-breaking year for Varanium and all its stakeholders.

Keeping my fingers crossed and feet firmly rooted, I sign off.

Cheers

**Harshawardhan Hanmant Sabale**  
*Managing Director*

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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MR. HARSHAWARDHAN HANMANT SABALE	Managing Director (w.e.f 1 <sup>st</sup> June, 2019)
MR. MUKUNDAN RAGHAVAN	CFO(KMP) (w.e.f 13 <sup>th</sup> May, 2022)
MS. HETAL HARSHAL SOMANI	Company Secretary & Compliance Officer (w.e.f 2 <sup>nd</sup> August, 2021)
MR. PRATIK SURENDRAKUMAR SHAH	Independent Director (w.e.f 20 <sup>th</sup> May, 2022)
MS. NIDHI JAIN	Independent Director (w.e.f 20 <sup>th</sup> May, 2022)
MS. HARSHITA SINGHAL	Independent Director (w.e.f 20 <sup>th</sup> May, 2022)
MR. FAHIM IUNUS SHAIKH	Executive Director (w.e.f 27 <sup>th</sup> April, 2023)
MR. KALPESH ANIL ACHAREKAR	Non-Executive Non- Independent Director (w.e.f 27 <sup>th</sup> April, 2023)
MR. VINAYAK VASANT JADHAV	Executive Director (w.e.f 27 <sup>th</sup> April, 2023)

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### **STATUTORY AUDITORS**

M/s. A K Kocchar & Associates,  
Chartered Accountants, Mumbai

### **SECRETARIAL AUDITORS**

M/s. Mukesh J & Associates,  
Company Secretaries, Ahmedabad

### **INTERNAL AUDITORS**

M/s. Jogish Mehta & Co, Chartered  
Accountant, Mumbai

### **BANKERS**

ICICI Bank Limited, Mumbai

### **REGISTERED OFFICE**

Third Floor, Plot No. 244-A RDP 2,  
CTS 1374/B Vill. Versova SVP Nagar,  
Four Bungalows Mumbai- 400053, Maharashtra, India.  
Tel: +91 22 2632 5683  
Website: www.vrnm.com  
E-mail: info@vrnm.com

### **REGISTRAR & SHARE TRANSFER AGENTS:**

BIGSHARE SERVICES PRIVATE LIMITED  
S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park,  
Mahakali Caves Road, Next to Ahura Centre,  
Andheri East, Mumbai - 400 093, Maharashtra  
Tel. No.: +91 22 6263 8200 Email: bssahd@bigshareonline.com

## NOTICE OF 06<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE SIXTH (06TH) ANNUAL GENERAL MEETING OF THE MEMBERS OF VARANIUM CLOUD LIMITED WILL BE HELD ON FRIDAY, SEPTEMBER 15, 2023 AT 04:00 P.M. THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS, TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

#### ITEM NO. 1 – ADOPTION OF AUDITED FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon.

#### ITEM NO. 2 – DECLARATION OF DIVIDEND

To declare a final dividend of ₹3.5 per equity share for the year ended March 31, 2023.

#### ITEM NO. 3 – RE-APPOINTMENT OF A DIRECTOR

To appoint a Director in the place of MR. FAHIM IUNUS SHAIKH (DIN: 09588116), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

**“RESOLVED THAT**, pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. FAHIM IUNUS SHAIKH (DIN: 09588116), who retires by rotation, at this Annual General Meeting and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as the Director of the company, liable to retire by rotation;

**RESOLVED FURTHER THAT**, the Board of Directors and the Company Secretary of the company be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

For, **VARANIUM CLOUD LIMITED**

Sd/-

**Harshawardhan Hanmant Sabale**

Managing Director

DIN: 00168418

#### Registered Office:

Third Floor, Plot No. 244-A RDP 2,CTS 1374/B Vill. Versova SVP Nagar,  
Four Bungalows Mumbai 400053

**Place:** Mumbai

**Date:**21/07/2023

#### NOTES:

1. The approval of the Members of the Company is being sought through the remote e-voting facility only.
2. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 in relation to “Clarification on holding of annual general meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on 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.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by CDSL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://vrnm.com/>. The Notice can also be accessed from the website of NSE Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. Final Dividend was recommended by the Board of Directors, at its meeting held on April 28, 2023. The payment is subject to the approval of the shareholders at the ensuing AGM of the Company. After that Company has announced Stock Split from ₹10/- to ₹5/- per share, therefore the rate of dividend per share is adjusted accordingly while keeping the overall amount of dividend payment same.
9. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or before Friday, October 13, 2023, as under:
  - i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL), collectively "Depositories", as of end of day on Friday, September 15, 2023.
  - ii. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Friday, September 15, 2023.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

**Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

**Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- 1) The voting period begins on Tuesday, 12<sup>th</sup> September, 2023 at 09.00 a.m. and ends on Thursday 14<sup>th</sup> September, 2023 at 05.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Wednesday, 09<sup>th</sup> September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- 3) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided 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 would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- 4) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e- Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also 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.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	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 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.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

**5) Login method of e-Voting for shareholders other than individual shareholders & physical shareholders.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and 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)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	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 (v).

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 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.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- 11) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” 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.
- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) After selecting the resolution, 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.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- 15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 16) 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 & enter the details as prompted by the system.

#### **17) Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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](mailto: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; [cssanjaymaurya@gmail.com](mailto:cssanjaymaurya@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- 1) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- 2) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- 3) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- 4) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience
- 5) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 6) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 7) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [info@vrnm.com](mailto:info@vrnm.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [info@vrnm.com](mailto:info@vrnm.com). These queries will be replied to by the company suitably by email.
- 8) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 9) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- 10) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

For Physical shareholders please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [info@vrnm.com](mailto:info@vrnm.com).

For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [info@vrnm.com](mailto:info@vrnm.com).

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

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

#### EXHIBIT TO THE NOTICE

Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting (Under Regulation 36 of the SEBI Listing Obligations and Disclosure Requirements, 2015)

NAME OF DIRECTOR	MR. FAHIM IUNUS SHAIKH
DIN	09588116
Date of Birth	January 01, 1978
Brief resume and nature of expertise in specific functional areas	Fahim Iunus Shaikh aged 44 years is an Executive Director of the company. He graduated from the University of Mumbai with a Bachelor's degree in Commerce in June 2001. Mr. Shaikh is experienced operational personnel with expertise in material management & procurement and adhering to quality norms as per customer expectation. Mr. Shaikh has operational experiences in the field close to nearly 20 Years. He has been associated with our Company since August 2020 and has been elevated to Director's position in April 2022. He has been handling project related procurements, liaisoning and logistic activities in our Company.
No. of Equity Shares held in the Company	0
Names of listed entities (Including this listed entity) in which the person holds the Directorship and the Membership of Committees of the board*	Other Directorship- 0
Other Committee Membership-	NIL
Disclosure of Relationships between Directors inter-se	He is not related to any of other Director of the Company
Names of listed entities from which the person has resigned in the three (3) years	NIL

\*Committee includes Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship across all Listed Companies including this company.

For, **VARANIUM CLOUD LIMITED**

Sd/-

**Harshwardhan Hanmant Sabale**

Managing Director

DIN: 00168418

#### Registered Office:

Third Floor, Plot No. 244-A RDP 2,CTS 1374/B Vill. Versova SVP Nagar,  
Four Bungalows Mumbai 400053

**Place:** Mumbai

**Date:** 21/07/2023

Statutory Reports



# DIRECTORS' REPORT

To  
The Members of the Company

Your Directors hereby have tremendous pleasure in presenting 06<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2023.

## 1. FINANCIAL HIGHLIGHTS

(₹in Lakhs)

Sl. No	Particulars	Current year ended 31 <sup>st</sup> March, 2023	Previous year ended 31 <sup>st</sup> March, 2022
1.	Total Revenue (Net)	38,336.34	3,535.21
2.	Other Income	1.02	-
3.	Total Income	38,337.36	3,535.21
4.	Profit before Depreciation & Amortization	11,928.08	1,204.16
5.	Less : Depreciation and Amortization Expenses	210.03	9.66
6.	Finance Cost	-	-
<b>7.</b>	<b>Profit before Tax</b>	<b>11,718.05</b>	<b>1,194.50</b>
8.	Less: Provision for Tax	3,171.61	354.31
9.	MAT Credit Entitlement	-	-
<b>10.</b>	<b>Profit after Tax</b>	<b>8,546.44</b>	<b>840.19</b>
<b>11.</b>	<b>Interim Dividend</b>	<b>301.54</b>	<b>-</b>
<b>12.</b>	<b>Profit for the year</b>	<b>8,244.89</b>	<b>840.19</b>
<b>13.</b>	<b>Earnings per share (EPS)</b>		
	<b>Basic</b>	<b>82.03</b>	<b>15.90</b>
	<b>Diluted</b>	<b>82.03</b>	<b>15.90</b>

## 2. REVIEW OF OPERATIONS

During the year under review, the Company's Revenue from Operations stood at ₹38,336.00 Lakhs compared to ₹3,535.21 Lakhs in the previous year. The Net Profit for the year stood at ₹8,546.44 Lakhs as against ₹840.19 Lakhs reported in the Previous Year.

## 3. CHANGE IN MANAGEMENT AND CONTROL

In view of the appointments and resignation of Directors in the Board of the Company, following is the revised Composition of the Board;

Sr No.	Name of the Directors	Designation	DIN/PAN	Status
1.	Harshawardhan Hanmant Sabale	Managing Director	00168418	Promoter/ Chairman
2.	Pratik Surendrakumar Shah	Non-Executive	08233777	Independent Director
3.	Nidhi Jain	Non-Executive	09184058	Independent Director
4.	Harshita Singhal	Non-Executive	09592544	Independent Director
5.	Fahim Lunus Shaikh	Executive	09588116	Non Promoter
6.	Kalpesh Anil Acharekar	Non Executive Non-Independent	09588277	Non Promoter
7.	Vinayak Vasant Jadhav	Executive	09588333	Non Promoter

#### 4. DIVIDEND AND RESERVES

The Company recommended / declared dividend as under:

##### FY 2022-23

Particulars	Dividend Per Share (in ₹)	Dividend Payout (₹ In Lakhs)
Interim Dividend	3.00	301.54
Final Dividend*	3.50	703.60
Payout ratio (interim dividend+ Final dividend)	11.76%	-

Note: The Company declares and pays dividend in Indian rupees. Companies are required to pay / distribute dividends after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

\*Recommended by the Board of Directors, at its meeting held on April 28, 2023. The payment is subject to the approval of the shareholders at the ensuing AGM of the Company. The payment is subject to the approval of the shareholders at the ensuing AGM of the Company. After that Company has announced Stock Split from ₹10/- to ₹5/- per share, therefore the rate of dividend per share is adjusted accordingly while keeping the overall amount of dividend payment same.

#### 5. SHARE CAPITAL OF THE COMPANY

During the year Company has increased its Authorized Share Capital in the manner set forth below:

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
From	To		
₹11,00,00,000 consisting of 1,10,00,000 equity shares of ₹10.00 each	₹11,50,00,000 consisting of 1,15,00,000 equity shares of ₹10.00 each	04/06/2022	EGM
₹11,50,00,000 consisting of 1,15,00,000 equity shares of ₹10.00 each	₹21,50,00,000 consisting of 2,15,00,000 equity shares of ₹10.00 each	11/02/2023	EGM

During the year Company has increased its Paid Up Capital in the manner set forth below:

##### PRE-IPO PLACEMENT

Date of Allotment	No of Equity Shares	Issue Price	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
26/07/2022	3,00,000	99/-	66,51,434	6,65,14,340.00
13/08/2022	55,550	99/-	67,06,984	6,70,69,840.00
01/09/2022	2,17,000	99/-	69,23,984	6,92,39,840.00
06/09/2022	1,27,450	99/-	70,51,434	7,05,14,340.00

##### IPO

Date of Allotment	No of Equity Shares	Issue Price	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
22/09/2022	3,00,000	122/-	100,51,434	10,05,14,340.00

##### Listing of Shares on SME exchange of NSE

Your directors are pleased to inform you that the Company's securities have been listed on SME Exchange of NSE Limited from 27<sup>th</sup> September, 2022.

## 6. MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as required under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and as approved by the Board of Directors, is provided in a separate section and forms an integral part of this Report.

## 7. ANNUAL RETURN

The Annual Return of the Company will be placed on the website of the company pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules 2014, the web link of the same is at <https://varanium.cloud/>

## 8. PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

## 9. DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013:

- a. That in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That 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 of the company for that period;
- c. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Annual Accounts have been prepared on a going concern basis;
- e. That 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. That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 10. CORPORATE GOVERNANCE REPORT

As per the provisions of Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions related to Corporate Governance as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V shall not apply to a listed entity being listed on SME Exchange of NSE.

Thereby presently the Company is not required to comply with the above provisions of Corporate Governance.

Accordingly, the Report on Corporate Governance and Certificate regarding compliance of conditions of Corporate Governance are not made a part of the Annual Report.

## 11. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING / OUTGO

Details regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are stated below:

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, details regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo for the year under review are as follows:

### A. Conservation of Energy

- a. Steps taken or impact on conservation of energy – The Operations of the Company do not consume energy intensively. However, the Company continues to implement prudent practices for saving electricity and other energy resources in day-to-day activities.
- b. Steps taken by the Company for utilizing alternate sources of energy – Though the activities undertaken by the Company are not energy intensive, the Company shall explore alternative sources of energy, as and when the necessity arises.

### B. Technology Absorption

- a. The efforts made towards technology absorption – The Company continues to take prudential measures in respect of technology absorption, adaptation and take innovative steps to use the scarce resources effectively.
- b. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable
- c. The Particulars of Foreign Exchange and Outgo for the year under review are: (₹. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Foreign Exchange Earning	32,622.37/-	3,077.43/-
Foreign Exchange Outgo	Nil	Nil

## 12. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

During the year under review, no employee was in receipt of remuneration exceeding the limits as prescribed under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The necessary disclosure with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure –I to this Report.

## 13. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS:

As required by Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Cash Flow Statement is

appended. As the Company does not have any Subsidiary Company or Associate Company or Joint Venture Company, it is not required to publish Consolidated Financial Statement.

## 14. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and Regulation 16 (1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board received a declaration from all the directors under Section 164 and other applicable provisions, if any, of the Companies Act, 2013 that none of the directors of the company is disqualified under the provisions of the Companies Act, 2013 ("Act") or under the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

## 16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board received a declaration from all the directors under Section 164 and other applicable provisions, if any, of the Companies Act, 2013 that none of the directors of the company is disqualified under the provisions of the Companies Act, 2013 ("Act") or under the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

### (I) Appointment & Resignation of Directors

During the financial year 2022-23, there was a change in the board of directors of the company. Accordingly, at present, the structure of Board of Directors is as follows:

Sr. No.	Designation	Name of Directors
1.	Non - Executive Director	Mr. Kalpesh Anil Acharekar (w.e.f 27/04/2022)
2.	Executive Director	Mr. Fahim Iunus Shaikh (w.e.f. 27/04/2022)
3.	Executive Director	Mr. Vinayak Vasant Jadhav (w.e.f 27/04/2022)
4.	Independent Director (Non-Executive)	Ms. Harshita Singhal (W.e.f. 20/05/2022)
5.	Independent Director (Non-Executive)	Mr. Pratik Surendrakumar Shah (w.e.f. 20/05/2022)
6.	Independent Director (Non-Executive)	Ms. Nidhi Jain (w.e.f. 20/05/2022)
7	Managing Director	Mr. Harshawardhan Hanmant Sabale (As an MD w.e.f. 01/05/2022)

### (II) Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, FAHIM IUNUS SHAIKH (DIN: 09588116), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends his re- appointment.

### (III) Key Managerial Personnel

During the year under review, there was change in Key Managerial Personnel of the company and accordingly, at present, the following are the Key Managerial Personnel of the company:

Sr. No.	Designation	Name of Directors
1.	Managing Director	Mr. Harshawardhan Hanmant Sabale (as an MD w.e.f. 01/05/2022)
2.	Company Secretary & Compliance Officer (CS)	Ms. Hetal Harshal Somani (w.e.f 02/08/2021)
3.	Chief Financial Officer (CFO)	Mr. Mukundan Raghavan (w.e.f 13/05/2022)

## 17. MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. A tentative annual calendar of the Board and Committee Meetings is informed to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The notice of meeting of Directors and Committees is given well in advance to all the Directors of the Company. The agenda of the Board / Committee meetings is circulated not less than 7 days prior to the date of the meeting. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the year under review, 30 (Thirty) Board Meetings were convened and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Name of Director	Category	Number of meetings which Director was entitled to attend	Meetings attended
Mr. Harshawardhan Hanmant Sabale	Managing Director	30	30
Mr. Kalpesh Anil Acharekar	Non-Executive Director	28	28
Mr. Vinayak Vasant Jadhav	Executive Director	28	28
Mr. Fahim Lunus Shaikh	Executive Director	28	28
Ms. Harshita Singhal	Independent Director	22	10
Mr. Pratik Surendrakumar Shah	Independent Director	22	5
Ms. Nidhi Jain	Independent Director	22	5

## 18. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 21<sup>st</sup> October, 2022 to review, among other things, the performance of non-independent directors and the Board as whole, evaluation of the performance of the Chairman and the flow of communication between the Board and the management of the Company.

## 19. COMMITTEES OF THE BOARD

The Company's Board has the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

### i) AUDIT COMMITTEE:

The Board at its Meeting held on 23<sup>rd</sup> May, 2022 constituted the Audit Committee.

During the financial year 2022 -2023, (4) meetings of the Audit Committee were held on 21<sup>st</sup> June, 2022; 06<sup>th</sup> September, 2022; 21<sup>st</sup> October, 2022; and 21<sup>st</sup> January, 2023.

The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at all the Meetings.

Name of members	Designation	Meetings attended
Mr. Pratik Surendrakumar Shah	Chairman	4
Ms. Nidhi Jain	Member	4
Mr. Harshawardhan Hanmant Sabale	Member	4

The Company Secretary has acted as the Secretary to the Committee.

All the recommendations made by the Audit Committee were accepted by the Board of Directors.

The terms of reference of the Audit Committee shall include but not limited to the following:

- a) To recommend the appointment/re-appointment/ re-placement and terms of appointment of the Auditors of the Company.
- b) To review and monitor the Auditor's independence and performance and effectiveness of the audit process.
- c) To review with the Management the Quarterly Financial Results before submission to the Board for approval.
- d) Review the adequacy of the internal control system. Finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- e) Approval or any subsequent modification of transactions of the Company with related parties.
- f) Reviewing the Company's risk management policy.
- g) To scrutinize inter-corporate loans and investments made by the Company.
- h) To evaluate the Internal Financial Controls and Risk Management Systems.
- i) To carry out valuation of undertakings and the assets of the Company, wherever it is necessary.
- j) To review, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control System.
- k) To review the functioning of the Whistle Blower Mechanism.
- l) To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- m) To carry out any other function, as may be assigned to the Audit Committee pursuant to any amendments to the Listing Regulations and the applicable provisions of the Act.
- n) To oversee the Company's financial reporting process and disclosure of the financial information to ensure that the financial statements are correct, sufficient and creditable.
- o) To review the following information/document:
  - Management Discussion and Analysis of financial condition and results of operation;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letter/letters of internal control weakness issued by the Statutory Auditors;
  - Internal audit reports relating to internal control weakness;
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

## ii) **NOMINATION AND REMUNERATION COMMITTEE**

The Board at its Meeting held on 23<sup>rd</sup> May, 2022 constituted the Nomination and remuneration Committee (hereinafter referred as "NRC").

During the financial year 2022-23, 2(Two) meetings of NRC were held on 21<sup>st</sup> June, 2022, and 21<sup>st</sup> January, 2023.

The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at the Meeting.

Name of members	Designation	Meetings Attended
Ms. Nidhi Jain	Chairperson	2
Mr. Pratik Surendrakumar Shah	Member	2
Ms. Harshita Singhal	Member	2

The Company Secretary has acted as the Secretary to the Committee.

The broad terms of reference of the NRC, as approved by the Board, are in compliance with Section 178 of the Companies Act, 2013 which are as follows:

- a) To lay down criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- b) To formulate a criteria for evaluation of performance of Independent Directors and the Board of Directors.

- c) To recommend remuneration to be paid to a Director for any service rendered by him to the Company which are of a professional nature and provide an opinion, whether such Director possesses the requisite qualification for the practice of such profession.
- d) To identify 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 of Directors their appointment and removal.
- e) To decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- f) To recommend to the Board the appointment and removal of the Directors, including Independent Directors.
- g) Carrying out functions as delegated by the Board of Directors from time to time.

The Board of Directors has framed "Remuneration and Nomination Policy" which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The said Policy is annexed herewith as Annexure - II to this report.

### iii) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board at its Meeting held on 23<sup>rd</sup> May, 2022 constituted the Stakeholder Relationship Committee. (hereinafter referred as "SRC")

During the financial year 2022-23, 03 (Three) meetings of SRC were held on 21<sup>st</sup> June, 2022, 21<sup>st</sup> October, 2022, 21<sup>st</sup> January, 2023.

The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at the Meeting.

Name of members	Designation	Meetings attended
Ms. Nidhi Jain	Chairperson	3
Mr. Fahim lunus Shaikh	Member	3
Mr. Kalpesh Anil Acharekar	Member	3

The Company Secretary has acted as the Secretary to the Committee.

Stakeholders Relationship Committee is empowered to oversee the Redressal of Stakeholders complaints pertaining to transfer of shares, non-receipt of annual reports, non-receipt of declared dividends, issue of duplicate certificates, transmission /demat / remat of shares and other miscellaneous grievances.

The detailed particulars of Stakeholders complaints handled by the Company and its Registrar & Share Transfer Agent during the year 2022-23 are as under:

Nature of complaints	Opening at the beginning of year	Received during the year	Redressed	Pending at the end of year
Non-receipt of Share Certificate	Nil	Nil	--	Nil
Non-receipt of Dividend/Interest/Redemption Warrant	Nil	Nil	--	Nil
Non-receipt of Annual Report	Nil	Nil	--	Nil
Others	Nil	3	3	Nil
Total	Nil	Nil	--	Nil

## 20. ANNUAL PERFORMANCE EVALUATION BY THE BOARD

Pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Directors was completed during the year under review.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

## 21. DIRECTORS TRAINING AND FAMILIARIZATION

The Company undertakes and makes necessary provision of an appropriate induction programme for new Director(s) and ongoing training for existing Directors. The new Director(s)

are introduced to the Company culture, through appropriate training programmes. Such training programmes help develop the relationship of the directors with the Company and familiarize them with Company processes. The management provides such information and training either at the meeting of the Board of Directors or at other places.

The induction process is designed to:

- build an understanding of the Company's processes and
- fully equip Directors to perform their role on the Board effectively

Upon appointment, Directors receive a Letter of Appointment setting out in detail the terms of appointment, duties, responsibilities and expectations from them.

## 22. DETAILS OF FRAUD REPORT BY AUDITOR

As per auditors' report, no fraud u/s 143 (12) reported by the auditor.

## 23. AUDITORS

### (I) STATUTORY AUDITORS:

M/S A K Kocchar & Associates, Chartered Accountants, Mumbai having Firm Registration No. 0120410W, were appointed as Statutory Auditors of the Company for a term of 05 (Five) years for the financial year 2021-2022 to 2025-2026, on such remuneration as may be fixed by the Board of Directors of the Company

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

### (II) INTERNAL AUDITORS:

Pursuant to Provision of Section 138 of Companies Act, 2013, read with Companies (Accounts) Rules, 2014, the Board of Directors on recommendation of Audit Committee has appointed M/s. Jogish Mehta & Co, Chartered Accountant, Mumbai having FRN: 104326W, as an Internal Auditor of Company. Internal Auditors submit their reports on quarterly basis to the Audit Committee.

Based on the report of internal audit functions undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### (III) SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Mukesh J. & Associates, Company Secretaries, Ahmedabad, Gujarat to conduct Secretarial Audit for the year ended on 31<sup>st</sup> March, 2023.

Secretarial Audit Report issued by M/s. Mukesh J. & Associates, Company Secretaries in Form MR- 3 is annexed herewith as **Annexure III** and forms an integral part of this Report.

The Secretarial Auditors have notified certain comments for non-complying in timely manner on certain SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Companies Act, 2013 compliances as mentioned below:

- a) The Company has not fulfilled the requirement of minimum directors of the Company from 14<sup>th</sup> April, 2022 to 27<sup>th</sup> April, 2022. The management herewith clarifies that the non appointment of Director was due to delay in selection of suitable candidate. However, the company has now duly complied and appointed the Director as required under the Regulations.
- b) Form ADT-1 for appointment of New Auditor has been filed before filing of Form ADT-3 for Resignation of Auditor. The Management herewith clarifies that resigning auditor has filed his resignation on delayed basis.
- c) However, as technical glitch in MCA Website, the Company was not able to file Form SH-7 within 30 days from the date of Shareholders meeting but the Company has filed such form with additional fees, the board has taken action for effective and timely compliance for the same.
- d) The Company has not intimated to the Stock exchange atleast 2 days prior to the Board meeting in which proposal of declaration of dividend is to be considered- The Company has already paid the Fine for the same with Exchange.

## 24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has in place Internal Financial Control system, commensurate with size & complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls & other regulatory & statutory compliances. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

Internal Auditors' comprising professional Chartered Accountants monitor & evaluate the efficacy of Internal Financial Control system in the company, its compliance with operating system, accounting procedures & policies at all the locations of the company. The Audit Committee of the Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board.

## 25. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Cloud has committed itself towards reaching out and giving back to its communities. Cloud's Mission identifies existing limitations in small communities and finds digital solutions to solve them. Cloud is ensuring that its vision for the development of the nation reaches the non-urban cities.

An overview of CSR initiatives is provided in earlier section of this Annual Report and report on CSR activities for FY 2023 as per Section 135 of the Act and rules made thereunder forms part of this Directors' Report and is annexed hereto as 'Annexure V'.

Further, the Company has in place a CSR Policy approved by the Board of Directors and the same can be accessed at <https://varanium.cloud/>.

## 26. SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

As Company does not have any Subsidiaries or Associates Companies or Joint ventures, it is not required to give disclosure in Form AOC-1 Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014.

## 27. RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations.

There were no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature.

A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions, if any. The Company has adopted a Related Party Transactions Policy.

The details have been enclosed pursuant to clause (h) of subsection (3) of Section 134 of Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules 2014 - 'AOC-2'- Annexure IV

## 28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The particulars of loans, guarantees and investments, if any taken or given, have been disclosed in the financial Statement.

## 29. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report are mentioned as below:

- (I) Alteration in Capital of the Company by Split/Sub-division of 1 (One) Equity Share of the Company having face value of ₹10/- each into 2 (Two) Equity Shares of the Company having face value of ₹5/- each.
- (II) Approved the Issue of 1 (One) Bonus Shares for every 1 (One) Equity Shares held by the Equity Shareholders of the Company.

## 30. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In pursuance to Section 177 of the Companies Act, 2013, the Company has adopted a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.

The Company promotes ethical behavior in all its business activities and has adopted a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the employees / workers. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in the exceptional cases. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. However, no violation of laws or unethical conduct etc. was brought to the notice of the Management or Audit Committee during the year ended 31<sup>st</sup> March, 2023. We affirm that during the financial year 2022-23, no employee or director was denied access to the Audit Committee.

## 31. RISK MANAGEMENT POLICY

Your Company has an elaborated risk Management procedure and adopted a systematic approach to mitigate risk associated with accomplishment of objectives, operations, revenues and regulations. Your Company believes that this would ensure mitigating steps proactively and help to achieve stated objectives. The entity's objectives can be viewed in the context of four categories Strategic, Operations, Reporting and Compliance. The Risk Management process of the Company focuses on three elements, viz. (1) Risk Assessment; (2) Risk Management; (3) Risk Monitoring.

The Audit Committee has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing all the risk that the

organization faces. The key risks and mitigating actions are also placed before the Audit Committee of the Company. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

### **32. POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Your company believes in providing a healthy, safe and harassment-free workplace for all its employees. Further the company ensures that every woman employee is treated with dignity and respect.

The Company has in place an Anti-Sexual Harassment Policy as per the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Your Directors further states that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **33. Details of Application made or proceeding pending under Insolvency And Bankruptcy Code 2016**

During the year under the review, there were no applications made or proceedings pending in the name of the company under the insolvency and bankruptcy code, 2016.

### **34. Details of Difference between valuation amount on one time settlement and valuation while availing loan from banks and financial institutions.**

During the year under the review, there has been no one time settlement of loans taken from banks and financial institutions.

### **35. GENERAL DISCLOSURE**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (sweat equity shares) to employees of the Company under ESOS.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company operations in future.

### **36. ACKNOWLEDGEMENT**

The Board of Directors wishes to express its gratitude and record its sincere appreciation for the commitment and dedicated efforts put in by all the employees. Your Directors take this opportunity to express their grateful appreciation for the encouragement, cooperation and support received by the Company from the local authorities, bankers, clients, suppliers and business associates. The directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its management.

For, **VARANIUM CLOUD LIMITED**

Sd/-  
**Harshawardhan Hanmant Sabale**  
Managing Director  
DIN: 00168418

#### **Registered Office:**

Third Floor, Plot No. 244-A RDP 2, CTS 1374/B Vill. Versova SVP Nagar,  
Four Bungalows Mumbai 400053

**Place:** Mumbai

**Date:** 21/07/2023

**ANNEXURE I****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2022-23,	Harshawardhan Hanmant Sabale	Fahim lunus Shaikh	Kalpesh Anil Acharekar	Vinayak Vasant Jadhav
	Managing Director	Director	Non-Executive Non-Independent Director	Director
	95.38:1	28.31:01	NIL	28.31:01
The ratio of the Fee for attending Board/Committee Meetings and Commission of each Director to the median remuneration of the employees of the Company for the financial year	Pratik Surendrakumar Shah	Nidhi Jain	Harshita Singhal	
	Independent Director	Independent Director	Independent Director	
	3.97:1	3.97:1	3.97:1	
The percentage increase in remuneration of each director, if any, in the financial year 2022-23	Harshawardhan Hanmant Sabale	Fahim lunus Shaikh	Kalpesh Anil Acharekar	Vinayak Vasant Jadhav
	Managing Director	Director	Non-Executive Non-Independent Director	Director
	N.A. as remuneration has been decreased from previous year	NIL	NIL	NIL
The percentage increase in remuneration of each Key Managerial Personnel (KMP), if any, in the financial year 2022-23.	Hetal Harshal Somani	Mukundan Raghavan		
	Company Secretary	CFO		
	25.00%	26.82%		
(Explanation: (i) the expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;				
(ii) if there is an even number of observations, the median shall be the average of the two middle values)				
The number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March, 2023.	72			
The percentage increase in the median remuneration of employees in the financial year.	The median remuneration of the employees in the financial year was increased by 25.00%			
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.	Average incremental in FY 2023 for Managerial Personnel: No Increment Average incremental in FY 2023 for Non-Managerial Personnel: NA No Exceptional increase given in the Managerial Remuneration			
Affirmation that the remuneration is as per the remuneration policy of the Company	Yes			

\* Median calculated is against employees active throughout the full financial year in FY 2023.

## ANNEXURE II

### NOMINATION AND REMUNERATION POLICY

Our policy on the appointment and remuneration of directors and key managerial personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The nomination and remuneration policy is provided herewith pursuant to section 178(4) of the Companies Act, 2013 and Clause 49(IV)(B)(4) of the Listing Agreement.

#### INTRODUCTION

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMP) has been formulated in terms of the provisions of the Companies Act, 2013 and the listing agreement in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

#### DEFINITIONS:

- “Board”:- Board means Board of Directors of the Company as constituted from time to time.
  - “Director”:- Director means Directors of the Company.
  - “Committee”:- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
  - “Company”:- Company Varanium Cloud Limited.
  - “Independent Director”:- As provided under Clause 49 of the Listing Agreement and/or under the Companies Act, 2013, ‘Independent Director’ shall mean a Non-Executive Director, other than a Nominee Director of the Company:
1. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  2. who is or was not a promoter of the Company or its holding, subsidiary or associate Company;
  3. who is not related to promoters or Directors in the Company, its holding, subsidiary or associate Company;
  4. Apart from receiving Director’s remuneration, has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
  5. None of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, amounting to two percent. or more of its gross turnover or total income or fifty Lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  6. who, neither himself nor any of his relatives holds or has held the position of a Key Managerial Personnel or is or has been 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.

And who 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 —

A. a firm of Auditors or Company Secretaries in practice or Cost Auditors of the Company or its holding, subsidiary or associate Company; or

B. any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;

7. Holds together with his relatives two per cent or more of the total voting power of the Company; or
  - is a Chief Executive or Director, by whatever name called, of any nonprofit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, Directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company;
8. is a material supplier, service provider or customer or a lesser or lessee of the Company;

#### KEY MANAGERIAL PERSONNEL:

Key Managerial Personnel (KMP) means-

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole Time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the applicable statutory provisions/regulations.

- **“SENIOR MANAGEMENT PERSONNEL”:** The expression “Senior Management Personnel” (SMP) means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### APPLICABILITY:

The Policy is applicable to :

- Directors (Executive and Non-Executive)
- Key Managerial Personnel (KMP)
- Senior Management Personnel (SMP) Purpose:-

The primary objective of the Policy is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, KMP and officials comprising the SMP. The Company

aims to achieve a balance of merit, experience and skills amongst its Directors, KMP and SMP.

#### ACCOUNTABILITIES:

1. The Board is ultimately responsible for the appointment of Directors and KMP.
2. The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, KMP and the SMP of the Company to the Nomination and Remuneration Committee which makes recommendations and nominations to the Board.

#### NOMINATION AND REMUNERATION COMMITTEE:

1. **a)** Objectives of the Committee

The Committee shall:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, KMP and other employees.
2. Formulation of criteria for evaluation of Independent Director and the Board

#### DEVISING A POLICY ON BOARD DIVERSITY

1. Identify persons who are qualified to become Director and persons who may be appointed in KMP and SMP positions in accordance with the criteria laid down in this policy.
2. Recommend to the Board, appointment and removal of Director, KMP and SMP.
3. **b)** Constitution of the Committee
4. The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement.
5. The Nomination and Remuneration Committee comprises of the following:
6. a) The Committee shall consist of a minimum three (3) non-executive directors, majority of them being independent.
7. b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
8. c) Membership of the Committee shall be disclosed in the Annual Report.
9. d) Term of the Committee shall be continued unless terminated by the Board of Directors.

#### CHAIRMAN:

1. a) Chairman of the Committee shall be an Independent Director.
2. b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
3. c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
4. d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General

Meeting or may nominate some other member to answer the shareholders' queries.

#### COMMITTEE MEMBERS' INTERESTS:

1. a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
2. b) The committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

#### VOTING:

1. a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
2. b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### APPOINTMENT OF DIRECTORS/ KMP'S/ SMP : –

1. **a) General Appointment Criteria:**
2. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his/ her appointment.
3. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ SMP shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force. iii. The Director/ Independent Director/ KMP/ SMP shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

#### **b) Additional Criteria for Appointment of Independent Directors:**

The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of Clause 49 of the Listing Agreement (as amended from time to time) and Companies Act, 2013.

#### **c) Term/ Tenure:**

The Term/ Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

#### **d) Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or SMP subject to the provisions and compliance of the said Act, rules and regulations.

**e) Letters of Appointment:**

Each Director/ KMP/ SMP is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

**CRITERIA FOR EVALUATION/ ASSESSMENT OF DIRECTORS/ KMP'S/ SMP OF THE COMPANY :-**

The evaluation/ assessment of the Directors, KMPs and the SMP of the Company is to be conducted on an annual basis and to satisfy the requirements of the Listing Agreement.

## 1. a) Executive Directors:

The following criteria may assist in determining how effective the performances of the

**Directors/ KMPs/ SMP have been:**

- Leadership and stewardship abilities
- Contributing to clearly define corporate objectives and plans
- Communication of expectations and concerns clearly with subordinates
- Obtain adequate, relevant, and timely information from external sources
- Review and approval achievement of strategic and operational plans, objectives, budgets
- Regular monitoring of corporate results against projections
- Identify, monitor and mitigate significant corporate risks
- Assess policies, structures and procedures
- Direct, monitor and evaluate KMPs, Senior Officials
- Review management's succession plan
- Effective meetings
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles and monitoring activities of committees
- Review of corporation's ethical conduct

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/ Non-Independent Directors in a separate meeting of the Independent Directors.

## 2. b) Non-Executive Directors:

The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

1. Act objectively and constructively while exercising their duties;
2. Exercise their responsibilities in a bona fide manner in the interest of the Company; devote sufficient time and attention to their professional obligations for informed and balanced decision making;
3. Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining

direct or indirect personal advantage or advantage for any associated person;

4. Refrain from any action that would lead to loss of his independence;
5. Inform the Board immediately when they lose their independence;
6. Assist the Company in implementing the best Corporate Governance practices.
7. Strive to attend all meetings of the Board of Directors and the Committees;
8. Participate constructively and actively in the Committees of the Board in which they are Chairpersons or members;
9. Strive to attend the general meetings of the Company;
10. Keep themselves well informed about the Company and the external environment in which it operates;
11. Do not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
12. Moderate and arbitrate in the interest of the Company as a whole, in situations of
13. conflict between management and shareholder's interest.
14. Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.
15. The Executive Director/ Non-Independent Directors along with the Independent Directors will evaluate/ assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

**REMUNERATION OF DIRECTORS, KMP'S AND SMP :**

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, KMP and other SMP. The Directors, KMP and other SMP's salary shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nomination and Remuneration Committee determines individual remuneration packages for Directors, KMP and SMP of the Company taking into account factors it deems relevant, including but no limited to market, business performance and practices in comparable Companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/ other guidelines. The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the workings of the Company and its goods:

1. **a) Base Compensation (fixed salaries) :**

Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/ non-

statutory benefits which are normal part of remuneration package in line with market practices).

b) Variable salary:

The Nomination and Remuneration Committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and nonfinancial metrics.

#### **Non-Executive Independent Directors:**

The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the Members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other Directors provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.

#### **KMPs/ SMP etc. :**

The remuneration payable to the KMP and the SMP shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

#### **Policy on Board diversity:-**

The Board of Directors shall have the optimum combination of Directors from the different areas/ fields like Production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources, etc. or as may be considered appropriate.

The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

**Annexure III**  
**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**VARANIUM CLOUD LIMITED,**  
(Formerly known as Streamcast Cloud Private Limited)  
Third Floor, Plot No. 244-A RDP 2,  
CTS 1374/B Vill. Versova SVP Nagar,  
Four Bungalows Mumbai-400053.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VARANIUM CLOUD LIMITED (CIN: U64200MH2017PLC303172) (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct of statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023, 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 there under to the extent of Foreign Direct Investment, there being no Overseas Direct Investment and External Commercial Borrowings; Not applicable for the period under review.
- (v) The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; The Company has complied with the Regulations during the period under review.

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('the Regulations'); The Company has complied with the Regulations during the period under review.
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not applicable as there was no reportable event during the financial year under review.
- d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client; Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;
- e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; The Company has complied with the Regulations during the period under review.
- f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not applicable for the review period; Not applicable as there was no reportable event during the financial year under review.
- g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable as there was no reportable event during the financial year under review.
- h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; Not applicable as there was no reportable event during the financial year under review.
- (vi) As informed to us, there are no laws that are specifically applicable to the Company based on its sector/industry.

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India;
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR').

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

1. As required under Section 149 (1)(a) of the Companies Act, 2013, Every Company shall have a Board of Directors consisting of individuals as Director and shall have a minimum number of three directors in case of a public

company, two directors in case of a private company, The Company has not fulfilled the requirement of minimum directors of **the Company from 14<sup>th</sup> April, 2022 to 27<sup>th</sup> April, 2022.**

2. As required under section 139 (8) of the Companies Act, 2013, Any casual vacancy in the office of an auditor shall— (i) in the case of a company other than a company whose accounts are subject to audit by an auditor appointed by the Comptroller and Auditor-General of India, be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting, Form ADT-1 for appointment of New Auditor has been filed before filing of **Form ADT-3 for Resignation of Auditor as resigning auditor has filed his resignation on delayed basis.**
3. As required under section 64 of the Companies Act, 2013, Where a company alters its share capital in any manner specified in sub-section (1) of section 61, the company shall file a notice in Form SH-7 with the Registrar within a period of thirty days of such alteration or increase, However, as technical glitch in MCA Website, **the Company was not able to file Form SH-7 within 30 days from the date of Shareholders meeting but the Company has filed such form with additional fees.**
4. As required under regulation 29 of the SEBI (LODR) Regulation, 2015, the listed entity is required to intimate to the Stock exchange atleast 2 days prior to the Board meeting in which proposal of declaration of dividend is to be considered. **However, the Company has not intimated to the Stock exchange.**

We further report that:

The Board of Directors of the Company is duly constituted with the proper balance of the Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that 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.

The majority decision is carried unanimously while the dissenting members' views if any are captured and recorded as part of the Minutes.

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

**We further report that during the audit period under review, the Company completed its initial public offer (IPO) of 30,00,000 Equity Shares of face value of ₹10/- each at an issue price of ₹122/- per Equity Share. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) with effect from 27<sup>th</sup> September, 2022.**

We further report that during the audit period under review, the Company has allotted 7,00,000 Equity Shares of face value of ₹10/- each at an issue price of ₹99/- per Equity Share.

We further report that during the audit period under review, the members in their EGM held on 11<sup>th</sup> February, 2023 approved to offer, issue and allot upto 1,00,00,000 (One Crore) Equity Shares at a price of ₹1250/- per equity share on private placement basis. However, the said issue was not approved by the exchange.

We further report that the Board of Directors of the Company at its meeting held on 21<sup>st</sup> October, 2022 declared first interim dividend at ₹01 (One) per equity share of face value of ₹10/- each and on 21<sup>st</sup> January, 2023 declared second interim dividend at ₹02 (Two) per equity share of face value of ₹10/- each.

Apart from the above-stated Corporate actions, there were no specific events/actions were having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

Note: Our appointment was made by the Board of Directors in the meeting held on 21/01/2023. Further, the secretarial audit and the Certification on this Form MR-3 have been done on basis of the documents made available to us in the electronic form by the Secretarial Team of the Company.

For, **MUKESH J & ASSOCIATES,**  
Company Secretaries  
(ICSI Unique Code S2021GJ796900)

**Mukesh Jiwnani**

Proprietor

ACS No: 29793

UDIN: A029793E000655088

COP No: 23381

Place: Ahmedabad

Date: 21/07/2023

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

## **Annexure A**

To,

**VARANIUM CLOUD LIMITED,**

Third Floor, Plot No. 244-A RDP 2,  
CTS 1374/B Vill. Versova SVP Nagar,  
Four Bungalows Mumbai-400053.

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

1. The maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure those correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company has also compliance with Tax Laws.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events, etc.
5. Compliance with the provisions of corporate laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
6. As regards the books, papers, forms, reports, and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns, and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns, and documents.
7. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **MUKESH J & ASSOCIATES,**  
Company Secretaries  
(ICSI Unique Code S2021GJ796900)

**Mukesh Jiwnani**

Proprietor

ACS No: 29793

UDIN: A029793E000655088

COP No: 23381

Place: Ahmedabad

Date: 21/07/2023

## Annexure IV FORM NO. AOC-2

[Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rules 8 (2) of the Companies (Accounts) Rules, 2014]

**Form for disclosure of particulars of Contracts / Arrangements entered into by the Company with the Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain Arm's Length transactions under third proviso thereto:**

**A. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:** There are no such transactions during the year which are not at arm's length basis.

**B. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:**

i.	Name (s) of the Related Party and nature of Relationship	Harshawardhan Hanmant Sabale
ii.	Nature of contract/arrangement/transactions	Loan Taken
iii.	Duration of contract/arrangements/transactions	Transactional
iv.	Salient Terms of contract/arrangements/transactions including the value if any	₹230.39 Lakhs
v.	Date(s) of approval by the Board	13/04/2022
vi.	Amount paid as Advances, if any	NIL

For, **VARANIUM CLOUD LIMITED**

Sd/-

**Harshawardhan Hanmant Sabale**

Managing Director

DIN: 00168418

**Registered Office:**

Third Floor, Plot No. 244-A RDP 2,CTS 1374/B Vill. Versova SVP Nagar,  
Four Bungalows Mumbai 400053

**Place:** Mumbai

**Date:** 21/07/2023

## 'Annexure V'. Annual Report on Corporate Social Responsibility Activities for FY 2023

### 1. Brief outline on CSR Policy of the Company

In compliance with the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder, the Company has framed CSR Policy. On recommendation of CSR Committee, the Board of Directors approved the CSR spending on sectors like Education & Promoting healthcare.

### 2. The Composition of the CSR Committee

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	MR. HARSHAWARDHAN HANMANT SABALE	Managing Director, Chairman	One	One
2	MR. VINAYAK VASANT JADHAV	Director	One	One
3	Ms. HARSHITA SINGHAL	Independent Director	One	One

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://varanium.cloud/>.

### 4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

Not Applicable

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year:

Sr. No.	Financial Year	Amount available for set off for the F.Y 2021-22	Amount available for set off for the F.Y 2020-21.
1	2022-23	N.A.	N.A.

### 6. Average net profit of the company as per section 135(5): ₹4,75,12,667/-

### 7. a) Two percent of average net profit of the company as per section 135(5) : ₹9,50,253/-

b) Surplus arising out of the CSR projects or programs: Nil

c) Amount required to be set off for the financial year, if any: Nil

d) Total CSR obligation for the financial year (7a+7b-7c): ₹9,50,253/-

### 8. CSR amount spent or unspent for the financial year 2022-23:

a) Total Amount Spent for the Financial Year: ₹31,77,498/-

Amount unspent				
Total Amount Transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
NIL	-	-	NIL	-

b) Details of CSR amount spent against ongoing projects for the financial year: N.A.

c) Details of CSR amount spent against other than ongoing projects for the

financial year 2022-23: N.A.

d) Amount spent in Administrative Overheads: NIL

e) Amount spent on Impact Assessment, if applicable: Not Applicable

f) Total amount spent for the Financial Year (7b+7c+7d+7e): ₹31,77,498/-

## g) Excess amount for set off, if any: -

Particulars	Amount
(a) Two percent of average net profit of the company as per section 135(5)	₹9,50,253/-
(b) Amount available for set-off from FY 2021-22	N.A.

## CSR obligation for the FY 2022-23 (a-b) (Net)

- |      |  |                |
|------|--|----------------|
| i.   | Total amount spent for the Financial Year  | ₹31,77,498/-   |
| ii.  | Excess amount spent for the financial year (ii)-(i)  | ₹22,27,245/-   |
| iii. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any  | NIL            |
| iv.  | Amount available for set off in succeeding financial years [(iii)-(iv)]  | ₹22,27,245/-   |
| 9.   | a) Details of Unspent CSR amount for the preceding three financial years:  | Not Applicable |
|      | b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):  | Not Applicable |
| 10.  | In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:   |                |
|      | The company had not created or acquired any of the capital asset out of the CSR spent during the financial year and therefore the disclosure requirement relating to creation or acquisition of capital asset not applicable to the Company. |                |
| 11.  | Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable   |                |

FOR, VARANIUM CLOUD LIMITED

SD/-

**Harshawardhan Hanmant Sabale**

Managing Director

DIN: 00168418

**Registered Office:**Third Floor, Plot No. 244-A RDP 2,CTS 1374/B Vill. Versova SVP Nagar,  
Four Bungalows Mumbai 400053**Place:** Mumbai**Date:** 21/07/2023

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### KEY ECONOMIC AND INDUSTRY TRENDS

Currently, India is the world's second-largest telecommunications market with a subscriber base of 1.16 billion and has registered strong growth in the last decade. The Indian mobile economy is growing rapidly and will contribute substantially to India's Gross Domestic Product (GDP) according to a report prepared by GSM Association (GSMA) in collaboration with Boston Consulting Group (BCG). In 2019, India surpassed the US to become the second largest market in terms of number of app downloads. The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector.

The Government has enabled easy market access to telecom equipment and a fair and proactive regulatory framework, that has ensured availability of telecom services to consumer at affordable prices. The deregulation of Foreign Direct Investment (FDI) norms have made the sector one of the fastest growing and the top five employment opportunity generator in the country.

India is the world's second-largest telecommunications market. The total subscriber base, wireless subscriptions as well as wired broadband subscriptions have grown consistently.

Over the next five years, rise in mobile-phone penetration and decline in data costs will add 500 million new internet users in India, creating opportunities for new businesses.

By 2025, India will need ~22 million skilled workers in 5G-centric technologies such as Internet of Things (IoT), Artificial Intelligence (AI), robotics and cloud computing.

### BUSINESS SEGMENT

We are a fast-growing Indian technology company that is focused on providing services surrounding digital audio, video and financial blockchain (for PayFac) based streaming services.

The Company operates in the following key verticals:

- Provision of digital audio and video content streaming services to various content owners and telecom operators in India and internationally on a SaaS (Software As A Service) model such as Voice & Video over Internet Protocol solutions (VoIP) in the B2B and B2C segments;
- Online payment facilitation services (PayFac);

- Provision of low bandwidth digital education content platforms (EdTech) with complete Learning Management Systems (LMS) focused on non-urban areas under Edmission brand;
- Provision of information technology related services to startups and SMEs to help them transition their business to digital platforms and manage the relevant infrastructure on a IaaS (Infrastructure As A Service) model;

### Our Competitive Strengths

1. Transport Technology
2. Low Cost of Delivery
3. Valuable Data Insights
4. Founder-led visionary management team

### Our Business Strategy

1. Grow subscriber base across existing and new geographies
2. Expand Product offerings
3. Efficient and differentiated Infrastructure
4. Focus on growth and margin enhancement

### Our Major Products

Following is list of our key products:

1. Edmission (phy-gital) Learning Centre
2. JumpTalk (VoIP)
3. Online Payment Facilitation (PayFac) Services
4. Infrastructure as a Service (IaaS) – a) Hydra Web Solutions. b) Corporate and Public Wi-fi Mesh services.
5. eCommerce as a Service (EaaS)

### CUSTOMERS OF THE COMPANY

Customers of the company range from business owners, telecom providers, education institutions to end consumers in some cases. For our phy-gital educational platform 'Edmission', customers include educational institutions – private & government organisations. JumpTalk customers include resellers of mobile services as well as end consumers who wish to avail international calling facilities to India. Lastly, our offering of Infrastructure as a Service, payment facilitation services and e-commerce as a service, are all B2B (business to business) in nature and comprises of small to large businesses across industries who want to avail of our services to enhance their offering to the end consumers.

### STRATEGIC RESPONSES TO OPPORTUNITIES AND THREATS

Opportunity / Threat	Cloud approach
Competition	Our Company faces significant competition from other companies operating in the markets in India as well as overseas in which we operate. Some of these firms have greater resources and/or a more widely known brand than we have, which may give them a competitive advantage.  Although we have satisfactory business relations with our clients and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.
Growth in the Indian economy	General economic conditions in India have a significant impact on our results of operations. The Indian economy has grown rapidly over the past decade and is expected to continue to grow in the future. We believe growth in the overall economy has driven, and will drive, the underlying demand for our products.

Opportunity / Threat	Cloud approach
Fluctuations in demand for our services	Supply and demand market conditions are affected by various factors outside our control, including: <ul style="list-style-type: none"> <li>• Prevailing local economic, income and demographic conditions and changes in applicable regulatory schemes</li> </ul>

### SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Revenue Model of the Company With our B2B customers, we follow a revenue share model where our customers charge a fee to their end consumer and the agreed margins are shared between our customer and us like in the case of Edmission, e-commerce as a service, infrastructure as a service. For offerings such as JumpTalk, revenue is two-fold – a fixed price from the resellers of our product and a direct-to-consumer price model (similar to a mobile recharge pack).

The following table sets forth breakup of our Sales for last 3 years :

(₹ in Lakhs)

Particulars	FY 2023	FY 2022	FY 2021
Sales – Domestic	5,713.96	457.78	0.00
Sales – Export	32,622.37	3,077.43	374.93
Total – Sales	38,336.33	3,535.21	374.93

The following table sets forth our product wise Sales of our major Products for last 3 years :

(₹ in Lakhs)

Particulars	FY 2023	FY 2022	FY2021
Voice over Internet Protocol (VoIP)	32,622.37	3,077.43	374.93
Online Payment Facilitator Services (PayFac)	1,785.43	361.98	0.00
Information Technology Enables Services (ITES)	3,928.54	95.80	0.00
Total – Sales	38,336.33	3,535.21	374.93

### RISK AND CONCERN

The risk management function is integral to the company and its objectives includes ensuring that critical risk are identified continuously, monitored and managed effectively in order to protect the company's business. However, the changes in the tax laws, Government policies and regulatory requirement might affect the company's business. The management has laid down robust risk management framework essential for identification, assessment, monitoring and mitigation of various risks to ensure smooth flow of operations adhering to stringent guidelines.

### INITIATIVES BY THE COMPANY

The Company has taken the following initiatives:

#### 1. GROW SUBSCRIBER BASE ACROSS EXISTING AND NEW GEOGRAPHIES

Through our wired and wireless customers, we plan to increase our penetration of the partners' subscriber base as we increase our hosting capacity through co-location and building our own data centers. Through existing as well as new wired and wireless customers, we will continue to scale subscriber base by expanding our geographic reach. We plan to launch our services in new geographies as we complete the build out of our infrastructure and increase data center capacity.

#### 2. EXPAND PRODUCT OFFERINGS

We believe that increasing the number of services available on our cloud platform will contribute to higher user engagement and help us on-board more carrier customers and penetrate more subscribers within those carriers. We

launched Edmission and plan to launch a few more products and services in the near future. These additional offerings will further improve our value proposition to consumers and end subscribers.

#### 3. EFFICIENT AND DIFFERENTIATED INFRASTRUCTURE

We combine our core technology with highly efficient and differentiated proposed data centers. Doing so allows us to keep our cost of delivery to a minimum and gives us the unique flexibility to achieve profitability at even low average revenue per user ("ARPU") price points. While today, we co-locate some of our capacity needs, in the future we expect to bring full capacity in house, further improving our operational and cost efficiencies.

#### 4. FOCUSED ON GROWTH AND MARGIN ENHANCEMENT

Recognising our phy-gital (Physical – Digital) edtech platform, Edmission, and its impact, the Company has been working with India's largest Government university as its phy-gital platform partner for provision of the University's content in the underserved areas of Maharashtra starting with the Sindhudurg region of Maharashtra. The Company has also tied up contract for 3 years from March 2022 for PayFac online payment processing services.

### OUTLOOK

The profit margins in the industry are high. However, the Company has taken required remedial measures. The Company is confident to meet the challenges with its strength in marketing network, its strategic planning, Research & Development and cost reduction exercise.

## FINANCIAL PERFORMANCE OVERVIEW

The discussions in this section relate to the Rupee-denominated financial results pertaining to the year that ended March 31, 2023. The financial statements of Varanium Cloud Limited are prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the consolidated financial statements. The following table gives an overview of the financial results of the company:

(₹ in Lakhs except EPS)

	FY 2022-23			FY 2021-22	
	Revenue	% of Revenue	Growth	Revenue	% of Revenue
Revenue from operations	38,336.34	99.99%	10.84Times	3,535.21	100.00%
Earnings before interest, tax, depreciation and amortization (EBITDA) (before other income)	11,928.08	31.11%	9.90Times	1,204.16	34.06%
Profit Before Tax (PBT)	11,718.05	30.56%	9.81Times	1,194.50	33.78%
Earnings per share (in ₹)	82.03	-	5.16Times	15.90	-

## ANALYSIS OF REVENUE GROWTH

On a reported basis, VCL revenue grew 10.84 Times in FY 2023, compared to the prior year, due to accelerated spending on digital transformation initiatives, cloud adoption and increased outsourcing.

## DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

	2022-23	2021-22
Debtors Turnover Ratio	NA	NA
Inventory Turnover Ratio	NA	NA
Interest coverage ratio	NA	NA
Current Ratio	3.00	5.17
Debt Equity Ratio	NA	NA
Operating Profit Margin	30.57%	30.80%
Net Profit Margin	22.29%	24%
Return on Net worth	10.05	1.82
P/E Ratio	2.09	0.63

## DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

FY 2022-23 is a landmark year for your company, as the company got listed on NSE (National Stock Exchange) having completed a successful IPO by raising ₹36 Crore which received a strong support from investors at large i.e. Indian as well as International investors. The Company has incurred the 10 times more profit during the year as compare to last year by expanding the business.

## INTERNAL CONTROL SYSTEMS & RISK MANAGEMENT

The Internal Control System facilitates the effectiveness and efficiency of Company operations and ensures the reliability of financial information and compliance with laws and regulations. In particular, the accounting control system is an important element of the Internal Control System as it helps ensure that the Company is not exposed to excessive financial risks and that financial internal and external reporting is reliable.

Your Company has robust internal audit and control systems. They are responsible for independently evaluating the adequacy of internal controls and provide assurance those operations and

business units adhere to internal policies, processes and procedures as well as regulatory and legal requirements. Internal audit team defines and review scope, coordinates and conducts risk based internal audits with quarterly frequency across Company through their audit firm. Existing audit procedures are reviewed periodically to enhance effectiveness, usefulness and timeliness. The Internal control procedures include proper authorization and adherence to authorization matrix, segregation of roles and responsibilities, physically verification, checks and balances and preventive checks on Compliance risk and overseeing of periodical financials etc.

Internal audit entails risk assessment and detailed verification of processes, adequacy of maintenance of accounting records, documentation and supporting, authorizations, review of internal controls, compliance with management policies and laid down procedures, compliance with applicable accounting standards and to verify adherence with applicable statutes, rules, regulation, byelaws, and circulars of the relevant statutory and regulatory authorities.

Your Company continuously monitors and revisits the risks associated with its business. It has institutionalized the

procedure for identifying, minimizing and mitigating risks and the same are reviewed periodically. The Company's Structured Risk Management Process attempts to provide confidence to the stakeholders that the Company's risks are known and well managed. The management of the Company has identified some of the major areas of concern having inherent risk, viz. Client Concentration, Technology Risks and Credit Control. The processes relating to minimizing the above risks have already been put in place at different levels of management. The management of the Company reviews the risk management processes and implementation of risk mitigation plans. The processes are continuously improved. Risk Management comprises three key components which are as below:

- Risk identification
- Risk assessment and mitigation
- Risk monitoring and assurance

The risk mitigation plans are reviewed regularly by the Management and Audit Committee of your Company.

#### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff. Human resource is considered as key to the future growth strategy of the Company

and looks upon to focus its efforts to further align human resource policies, processes and initiatives to meet its business needs. In order to focus on keeping employees abreast of technological and technical developments, the Company provides opportunity for training and learning. The overall Industrial relations atmosphere continued to be cordial.

#### **CAUTIONARY STATEMENT**

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied therein. Important factors that could make a difference include cyclical demand and pricing in the Company's principal markets, changes in Government regulations and tax regime, economic developments within India and other ancillary factors.

For, **VARANIUM CLOUD LIMITED**

Sd/-

**Harshawardhan Hanmant Sabale**

Managing Director

DIN: 00168418

#### **Registered Office:**

Third Floor, Plot No. 244-A RDP 2, CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai 400053

**Place:** Mumbai

**Date:** 21/07/23

Financial Statements

# INDEPENDENT AUDITORS' REPORT

TO,  
THE **MEMBERS OF VARANIUM CLOUD LIMITED**  
Report on the Financial Statements

We have audited the accompanying financial statements of **VARANIUM CLOUD LIMITED**, which comprise the Balance Sheet as at **31/03/2023**, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2023, and its **Profit and its cash flows** for the year ended on that date.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

## Responsibility of Management and Those Charged with Governance (TCWG)

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibility

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31/03/2023 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2023

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"**.
- (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 financial statements.
  - ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR A K KOCCHAR & ASSOCIATES**

(Chartered Accountants)

Reg No. :0120410W

SD/-

**HITESH KUMAR S**

Partner

M.No.: 134763

UDIN: 23134763BGWWSS6664

Date: 28/04/2023

Place: Mumbai

## ANNEXURE - A

### Reports under The Companies (Auditor's Report) Order, 2020 (CARO 2020) for the year ended on 31<sup>st</sup> March 2023

To,  
The Members of **VARANIUM CLOUD LIMITED**

#### **i. Property, Plant and Equipment and Intangible Assets**

- a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company as at 31/03/2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

#### **ii. Inventory and other current assets**

- (a) The Company does not have any inventory and hence reporting under clause ii(a) is not applicable.
- (b) The company has not been sanctioned working capital limits at any point of time during the year, from bank or financial institutions on the basis of security of current assets and hence reporting under clause ii(b) is not applicable.

#### **iii. Investment, Loans or Advances by Company**

- (a) The company has made investments in companies during the year.
- (b) The Company has granted unsecured loans and advances to companies, firms and other parties during the year.
- (c) In our opinion and according to the information and explanations given to us. The rate of interest and other terms and conditions for such loans are prima facie not prejudicial to the company's interest.
- (d) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (e) In respect of loans granted by the company, there is

no overdue amount remaining outstanding as at the balance sheet date.

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

#### **iv. Loan to Directors and Investment by the Company**

The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

#### **v. Deposits Accepted by the Company**

The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

#### **vi. Maintenance of Cost records**

The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

#### **vii. Statutory Dues**

- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- (b) There is no dispute with the revenue authorities regarding any duty or tax payable.

#### **viii. Disclosure of Undisclosed Transactions**

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

#### **ix. Loans or Other Borrowings**

- (a) The company has not defaulted in repayment of dues to financial institution or bank .
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) The Company has not taken any term loan during the

year and there are no outstanding term loans at the end of the year and hence, reporting under clause (ix) (c) of the Order is not applicable.

- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause (ix)(d) of the Order is not applicable.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

#### **X. Money raised by IPO, FPOs**

- (a) The Company has raised moneys by way of initial public offer or further public offer during the year, were applied for the purposes for which those are raised.
- (b) During the year, the company had not made preferential allotment of shares, Therefore clause 3(x) (b) of the order is not applicable.

#### **xi. Reporting of Fraud During the Year**

- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

#### **xii. Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

#### **xiii. Related party transactions**

In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Ind As.

#### **xiv. Internal audit system**

In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

#### **xv. Non cash transactions**

In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors.

#### **xvi. Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

#### **xvii. Cash Losses**

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

#### **xviii. Consideration of outgoing auditors**

The issues, objections or concerns raised by the outgoing auditors has been taken into considerations.

#### **xix. Material uncertainty in relation to realisation of financial assets and payment of financial liabilities**

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

#### **xx. Compliance of CSR**

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

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

FOR **A K KOCCHAR & ASSOCIATES**

(Chartered Accountants)

Reg No. :0120410W

SD/-

**HITESH KUMAR S**

Partner

M.No.: 134763

UDIN: 23134763BGWWSS6664

Date: 28/04/2023

Place: Mumbai

## **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of VARANIUM CLOUD LIMITED.**

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

We have audited the internal financial controls over financial reporting of VARANIUM CLOUD LIMITED as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors’ Responsibility**

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

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

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

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

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

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 issues by the Institute of Chartered Accountants of India.

**FOR A K KOCCHAR & ASSOCIATES**

(Chartered Accountants)

Reg No. :0120410W

SD/-

**HITESH KUMAR S**

Partner

M.No.: 134763

UDIN: 23134763BGWWSS6664

Date: 28/04/2023

Place: Mumbai

## Balance Sheet

As on 31<sup>st</sup> March, 2023

(₹ In Lacs)

Particulars	Note No	CURRENT YEAR	PREVIOUS YEAR
<b>(II) Assets</b>			
<b>(1) Non current assets</b>			
(a) Property, Plant and Equipment	5	4,250.67	16.36
(b) Intangible Assets	5	17.10	17.59
(c) Capital Work in Progress	6	349.34	3,095.27
(d) Financial Assets		-	-
(i) Investments	7	578.94	371.28
(i) Other Financial Assets	8	81.49	36.71
(e) Deferred Tax Asset (Net)		-	-
(f) Other Non Current Assets	9	-	18.68
<b>Total Non-current assets</b>		<b>5,277.54</b>	<b>3,555.89</b>
<b>(2) Current assets</b>			
(a) Inventories		-	-
(a) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade Receivables	10	10,291.30	386.89
(iii) Cash and Cash Equivalents	11	9.09	2.41
(iv) Bank Balances other than Cash and Cash Equivalents		2,572.86	-
(v) Loans	12	223.91	92.31
(vi) Other Financial Assets		-	-
(b) Other Current Assets	13	23.96	26.83
<b>Total Current Assets</b>		<b>13,121.12</b>	<b>508.45</b>
<b>TOTAL ASSETS</b>		<b>18,398.66</b>	<b>4,064.33</b>
<b>(I) Equity And Liabilities</b>			
<b>(1) Shareholder's Funds</b>			
(a) Equity Share Capital	14	1,005.14	635.14
(b) Other Equity	15	13,105.24	877.34
<b>Total Equity</b>		<b>14,110.38</b>	<b>1,512.48</b>
<b>(2) Share Application Money Pending Allotment</b>			
		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Financial Liabilities		-	-
(i) Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		5.40	(2.34)
<b>Total Non-current liabilities</b>		<b>5.40</b>	<b>(2.34)</b>
<b>(4) Current Liabilities</b>			
(a) Financial Liabilities		-	-
(i) Borrowings	16	-	25.63
(ii) Trade Payables	17	93.66	1,623.48
(iii) Other Financial Liabilities	18	530.39	139.33
(b) Other Current Liabilities	19	13.23	-
(c) Current Tax Liabilities	20	60.08	276.63
(d) Provisions	21	3,585.52	489.12
<b>Total Current Liabilities</b>		<b>4,282.88</b>	<b>2,554.19</b>
<b>TOTAL LIABILITIES</b>		<b>18,398.66</b>	<b>4,064.33</b>

Notes To Accounts And Accompanying Significant Accounting Policies Forming Part of Financials 1-37

As Per Our Audit Report of Even Date

As per audit report of even date

FOR **A K KOCCHAR & ASSOCIATES**

Chartered Accountant

FRN : 0120410W

**Hitesh Kumar S**

(PARTNER)

Membership No : 134763

UDIN : 23134763BGWWSS6664

Place : Mumbai

Date : 28/04/2023

FOR **VARANIUM CLOUD LIMITED****Harshawardhan Sabale**

Managing Director

DIN: 00168418

**Vinayak Vasant Jadhav**

Director

DIN: 09588333

**Mukundan Raghavan**

Chief Financial Officer

**Hetal Harshal Somani**

Company Secretary

## Statement of Profit & Loss

for the year ended 31<sup>st</sup> March, 2023

(₹ In Lacs)

Particulars	Note No	CURRENT YEAR	PREVIOUS YEAR
(I) Revenue From Operations	22	38,336.34	3,535.21
(II) Other Income	23	1.02	-
<b>(III) Total Revenue (I+II)</b>		<b>38,337.36</b>	<b>3,535.21</b>
(IV) Expenses:			
Purchases of Stock-In-Trade		-	-
Data center, bandwidth & hosting charges (Direct costs)	24	25,136.94	1,038.86
Changes In Inventories of Finished Goods, W.I.P and Stock-In-Trade		-	-
Finance Costs		-	-
Employee Benefits Expenses	25	175.15	903.82
Depreciation and Amortization Expense	5	210.03	9.66
Other Expenses	26	1,097.18	388.37
<b>Total Expenses</b>		<b>26,619.31</b>	<b>2,340.71</b>
(v) Profit Before Exceptional and Extraordinary Items and Tax (iii-iv)		11,718.05	1,194.50
(vi) Exceptional Items		-	-
(vii) Profit Before Extraordinary Items and Tax (v-vi)		11,718.05	1,194.50
(viii) Extraordinary Items		-	-
(ix) Profit Before Tax (vii-viii)		11,718.05	1,194.50
(x) Tax Expense:			
(1) Current Tax		3,163.87	355.29
(2) Excess Provision For Tax		-	-
(3) Deferred Tax		7.74	(0.98)
<b>(xi) Profit/(Loss) for The Period From Continuing Operations (ix-x)</b>		<b>8,546.44</b>	<b>840.19</b>
<b>(xii) Interim Dividend</b>		<b>301.54</b>	<b>-</b>
(xiii) Profit/ (Loss) from Discontinuing Operations			
(xiv) Tax Expense of Discontinuing Operations			
(xv) Profit/(Loss) from Discontinuing Operations (After Tax) (xii-xiii)			
<b>(xvi) Profit (Loss) for The Period (xi+xiv)</b>		<b>8,244.89</b>	<b>840.19</b>
(xvii) Earnings per Equity Share:			
(1) Basic (₹)	33	<b>82.03</b>	<b>15.90</b>
(2) Diluted (₹)	33	<b>82.03</b>	<b>15.90</b>

Notes To Accounts And Accompanying Significant Accounting Policies Forming Part of Financials 1-37

As Per Our Audit Report of Even Date

As per audit report of even date

FOR **A K KOCCHAR & ASSOCIATES**

Chartered Accountant

FRN : 0120410W

FOR **VARANIUM CLOUD LIMITED****Hitesh Kumar S**

(PARTNER)

Membership No : 134763

UDIN : 23134763BGWWSS6664

Place : Mumbai

Date : 28/04/2023

**Harshawardhan Sabale**

Managing Director

DIN: 00168418

**Vinayak Vasant Jadhav**

Director

DIN: 09588333

**Mukundan Raghavan**

Chief Financial Officer

**Hetal Harshal Somani**

Company Secretary

## Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2023

(₹ In Lacs)

Particulars	Note No	CURRENT YEAR	PREVIOUS YEAR
<b>Cash Flow from Operating Activities :</b>			
Profit/(Loss) Before Tax		11,718.05	1,194.50
<b>Adjustments for :</b>			
Unrealised Forex Gain		-	-
Exceptional item		-	-
Interest on short fall on payment of Advance tax		-	-
Depreciation and amortization		210.03	9.66
Interest Expense		-	-
<b>Operating Profit Before Working Capital Changes</b>		<b>11,928.08</b>	<b>1,204.16</b>
<b>Adjustments for (Increase)/(Decrease) in operating assets :</b>			
Financial Assets		(9,904.41)	29.72
Other current assets		2.87	(6.56)
Other non-current assets		18.68	(18.68)
Short Term Loans & Advances(Dr.)		(131.60)	-
<b>Adjustments for (Increase)/(Decrease) in operating liabilities :</b>			
Financial Liabilities		(1,555.45)	1,624.00
Other Financial Liabilities		391.06	-
Other Current Liabilities		2,893.08	258.05
<b>Cash Generated from operations</b>		<b>(8,285.77)</b>	<b>1,886.53</b>
Less : Income Tax Paid		(3,373.91)	11.28
<b>Net Cash Generated From Operating Activities</b>	<b>A</b>	<b>268.40</b>	<b>3,101.97</b>
<b>Cash Flow from Investing Activities :</b>			
Purchase of Fixed assets		(1,487.89)	(2,869.62)
(Increase)/Decrease in Deposits		(44.78)	(3.45)
Investments		(207.66)	(371.49)
<b>Net Cash Generated From Investing Activities</b>	<b>B</b>	<b>(1,740.33)</b>	<b>(3,245.00)</b>
<b>Cash Flow from Financing Activities :</b>			
Proceeds from Issuance of Share Capital		4,353.01	345.00
Repayment from Long Term Borrowings		-	(200.00)
Interest Paid		-	-
Less: Dividend Paid		(301.54)	-
<b>Net Cash Generated From Financing Activities</b>	<b>C</b>	<b>4,051.46</b>	<b>145.00</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(A+B+C)</b>	<b>2,579.54</b>	<b>2.41</b>
<b>Cash &amp; Cash Equivalents at the Beginning of Year (Note 1)</b>		<b>2.41</b>	<b>0.00</b>
<b>Cash &amp; Cash Equivalents at the End of Year (Note 1)</b>		<b>2,581.95</b>	<b>2.41</b>

### Note 1 :

#### Cash & Cash Equivalents

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Balances with Banks	0.53	0.62
Cash in Hand	8.56	1.79
<b>Cash and cash equivalent as per balance sheet</b>	<b>9.09</b>	<b>2.41</b>
<b>Bank balances other than cash &amp; cash equivalents</b>	<b>2,572.86</b>	<b>-</b>

Notes To Accounts And Accompanying Significant Accounting Policies Forming Part of Financials 1-37

As Per Our Audit Report of Even Date

As per audit report of even date

FOR **A K KOCCHAR & ASSOCIATES**

Chartered Accountant

FRN : 0120410W

**Hitesh Kumar S**

(PARTNER)

Membership No : 134763

UDIN : 23134763BGWWSS6664

Place : Mumbai

Date : 28/04/2023

FOR **VARANIUM CLOUD LIMITED****Harshawardhan Sabale**

Managing Director

DIN: 00168418

**Mukundan Raghavan**

Chief Financial Officer

**Vinayak Vasant Jadhav**

Director

DIN: 09588333

**Hetal Harshal Somani**

Company Secretary

## Statement of Change in Equity

for the year ended 31<sup>st</sup> March, 2023

(₹ In Lacs)

### A. Equity share capital

Particulars	Note No	Number of shares	Amount
<b>Balance as at 1<sup>st</sup> April 2020</b>	<b>14</b>	29,01,434	290.14
Changes in equity share capital during the year		-	-
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>14</b>	29,01,434	290.14
Changes in equity share capital during the year		34,50,000	345.00
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>14</b>	63,51,434	635.14
Changes in equity share capital during the year		37,00,000	370.00
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>14</b>	<b>1,00,51,434</b>	<b>1,005.14</b>

### B. Other Equity

Particulars	Amount
<b>Balance as at 1<sup>st</sup> April 2020</b>	(104.40)
Profit for the year	141.56
<b>Balance as at 31<sup>st</sup> March 2021</b>	37.16
Profit for the year	840.19
<b>Balance as at 31<sup>st</sup> March 2022</b>	877.34
Profit for the year	8,244.89
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>9,122.24</b>

Notes To Accounts And Accompanying Significant Accounting Policies Forming Part of Financials 1-37  
As Per Our Audit Report of Even Date  
As per audit report of even date

FOR **A K KOCCHAR & ASSOCIATES**  
Chartered Accountant  
FRN : 0120410W

FOR **VARANIUM CLOUD LIMITED**

**Hitesh Kumar S**  
(PARTNER)  
Membership No : 134763  
UDIN : 23134763BGWWSS6664

**Harshawardhan Sabale**  
Managing Director  
DIN: 00168418

**Vinayak Vasant Jadhav**  
Director  
DIN: 09588333

Place : Mumbai  
Date : 28/04/2023

**Mukundan Raghavan**  
Chief Financial Officer

**Hetal Harshal Somani**  
Company Secretary

## Notes to the financial statements

for the year ended 31<sup>st</sup> March 2023

### 1 Company overview

Varanium Cloud Limited (the 'Company') was incorporated on 22 December 2017 to carry on the business of Edmission (Education with a mission). A Platform that democratises the education process of connecting the best educators globally to learners and allows learners their choice of educator, subject, style and also carrying on the business of Hydra Web Solutions, Jump Talk, Corporate & Public Wifi Mesh Services, Cable Cloud, eCommerce-as-a-Service (EaaS).

The Registered Office of the company is situated at 3<sup>rd</sup>, Plot No. 244-A RDP 2,CTS 1374/B Vill. Versova SVP Nagar, Four Bungalows Mumbai Mumbai City MH 400053

### 2 Basis of preparation and measurement

#### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified by Ministry of Corporate Affairs ('MCA') pursuant to Section 133 of the Companies Act, 2013 ('Act') read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Financial statements have been prepared on accrual and going concern basis

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in accounting policy hitherto in use.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and the other criteria as set out in the Division II of Schedule III to the Act.

All the amounts included in the financial statements are reported in lacs of India Rupees and are rounded to the nearest lac, except per share data and unless stated otherwise. Further, amounts which are less than the aforesaid rounding off norm adopted by the Company, have been reflected as '0.00' in the relevant notes in these financial statements.

#### 2.2 Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

### 3 Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new accounting standards or amendments to the existing accounting standards.

### 4 Summary of significant accounting policies

#### 4.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- i) Expected to be realised or intended to 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 classified as 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

All other liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### 4.2 Property plant and equipments

##### Recognition and initial measurement

All items of property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

##### Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on Written Down Value method, computed on the basis of useful lives (as set out below) prescribed in Schedule II the Act:

Asset category	Estimated useful life (in years)
Computers & Data Processing Units	3
Software	6
Office Equipments	3
Motor Vehicles	5

## Notes to the financial statements

for the year ended 31<sup>st</sup> March 2023

### De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2015 measured as per the provisions of previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at 1 April 2015 measured as per the provisions of previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

## 4.3 Revenue recognition

Revenue is recognised by the company when the services are provided by the company and right to receive the consideration for the services provided is established. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

## 4.4 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

## 4.5 Financial instruments

### Financial assets

#### Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

### Subsequent measurement

#### i) Financial assets at amortised cost

The financial asset is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

#### ii) Financial assets at fair value through profit and loss

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in the statement of profit and loss.

### De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### Financial liabilities

#### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified at amortised cost.

### Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings.

### De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## 4.6 Impairment of financial assets (other than at fair value)

The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured

## Notes to the financial statements

for the year ended 31<sup>st</sup> March 2023

through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### 4.7 Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ('OCI') or directly in equity.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income-tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred income-tax is calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax assets or liability arising during tax holiday period is not recognised to the extent it reverses out within the tax holiday period. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

### 4.8 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

### 4.9 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly

liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

### 4.10 Employee benefits

#### Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

### 4.11 Operating expenses

Operating expenses are charged to profit or loss upon utilisation of the service or as incurred.

### 4.12 Borrowing costs

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

### 4.13 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or  
In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

### 4.14 Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

## Notes to the financial statements

for the year ended 31<sup>st</sup> March 2023

### Contingent liability is disclosed for:

- i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized. However, when inflow of economic benefit is probable, related asset is disclosed.

### 4.15 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

## Notes to the financial statements

### Note No 5 :

#### PROPERTY, PLANT AND EQUIPMENT

(₹ In Lacs)

Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION					NET BLOCK		
	As at April 1, 2022	Addition during the year	Ded./Adj during the year	As at March 31, 2023	Upto March 31, 2022	For the year	Ded./Adj during the year	Effect on Deprn as per Co. Act, 2013	Upto March 31, 2023	As at March 31, 2023	As at March 31, 2022
<b>Tangible Assets</b>											
Computers & Data Processing Units	10.33	5.32	-	15.65	2.72	4.81	-	-	7.53	8.12	7.61
Office Equipments	1.39	52.50	-	53.89	0.36	2.48	-	-	2.84	51.05	1.03
Motor Vehicles	30.00	22.78	-	52.78	22.28	6.09	-	-	28.36	24.42	7.72
Plant & Machinery	-	4,353.31	-	4,353.31	-	186.23	-	-	186.23	4,167.08	-
<b>Sub Total</b>	<b>41.72</b>	<b>4,433.92</b>	-	<b>4,475.63</b>	<b>25.36</b>	<b>199.61</b>	-	-	<b>224.97</b>	<b>4,250.67</b>	<b>16.36</b>
<b>Intangible Assets</b>											
Software	20.25	9.94	-	30.19	2.67	10.42	-	-	13.09	17.10	17.59
<b>Sub Total</b>	<b>20.25</b>	<b>9.94</b>	-	<b>30.19</b>	<b>2.67</b>	<b>10.42</b>	-	-	<b>13.09</b>	<b>17.10</b>	<b>17.59</b>
Capital WIP For Technologies	319.36	102.94	422.29	-	-	-	-	-	-	-	319.36
Capital WIP For Land & Building	2,775.91	1,480.07	3,906.64	349.34	-	-	-	-	-	349.34	2,775.91
<b>Sub Total</b>	<b>3,095.27</b>	<b>1,583.01</b>	<b>4,328.93</b>	<b>349.34</b>	-	-	-	-	-	<b>349.34</b>	<b>3,095.27</b>
<b>Grand Total :</b>	<b>3,157.24</b>	<b>6,026.86</b>	<b>4,328.93</b>	<b>4,855.17</b>	<b>28.02</b>	<b>210.03</b>	-	-	<b>238.06</b>	<b>4,617.11</b>	<b>3,129.21</b>

## Notes to the financial statements

(₹ in Lacs)

### Note No: 6

#### Capital Work-in-progress

Particulars	Current Year	Previous Year
Capital Work-in-progress	349.34	3,095.27
<b>Total</b>	<b>349.34</b>	<b>3,095.27</b>

#### Capital Work In Progress

Intangible Assets Under Development	Amount in CWIP For a period of			Total
	Less than 1Year	1-2 Years	More than 3 Years	
Projects in progress	349.34	-	-	349.34
Projects temporarily suspended	-	-	-	-

During the year under consideration the company had successfully completed the capitalisation of its Data Centre to the tune of ₹39,06,63,973/-, as the entire work for the same was completed hence the said asset was capitalised under the head Plant & Machinery

Similarly the company had also capitalised the WIP of Technology to the tune of ₹4,22,29,000/-, as the one phase of the technology was developed and the same was also capitalised into the head Plant & Machinery

### Note No: 7

#### Investments

Particulars	Current Year	Previous Year
Fincraft Media and Entertainment Pvt Ltd (Investment in Content Production)	100.88	100.88
Navkar Events Private Limited	150.00	150.00
Investment in 15,00,000 Compulsorily Convertible Debentures of ₹10 each of Navkar Events Private Limited, Convertable after 10 years into Equity Shares of the Company		
Turmeric Lifestyle Pvt Ltd (Investment in 3,03,060 Compulsory Convertible Debentures (CCD) of Turmeric Lifestyle Pvt. Ltd. @ ₹100 having Face value of ₹10 per share)	303.06	120.40
Share Application money (Proposed Investment in M/s. Jaro Fincap Private Limited)	25.00	-
<b>Total</b>	<b>578.94</b>	<b>371.28</b>

### Note No: 8

#### Financial assets - Non-current

Particulars	Current Year	Previous Year
Security Deposit	81.49	36.71
<b>Total</b>	<b>81.49</b>	<b>36.71</b>

### Note No: 9

#### Other Non-Current Assets

Particulars	Current Year	Previous Year
Loans & Advances	-	18.68
<b>Total</b>	<b>-</b>	<b>18.68</b>

## Notes to the financial statements

(₹ in Lacs)

### Note No: 10

#### Trade Receivables

Particulars	Current Year	Previous Year
Sundry debtors :		
(i) Trade Receivables Considered Good		
Less Than 6 Months	10,291.30	386.90
6 Months - 1 Year	-	-
(As stated by the company, there are no disputed Sundry debtors as at the date of the Balance sheet)		
<b>Total</b>	<b>10,291.30</b>	<b>386.90</b>

### Note No: 11

#### Cash and cash equivalents

Particulars	Current Year	Previous Year
Bank Balance		
-In Current Accounts	0.53	0.62
Cash On Hand	8.56	1.79
<b>Total</b>	<b>9.09</b>	<b>2.41</b>

### Note No: 12

#### Loans & Advances

Particulars	Current Year	Previous Year
Amount recoverable from related parties	-	8.51
Advances recoverable from others	-	70.44
Interest accrued on loan given/amount recoverable	-	13.36
Other Loans & Advances	223.91	-
<b>Total</b>	<b>223.91</b>	<b>92.31</b>

### Note No: 13

#### Other Current assets

Particulars	Current Year	Previous Year
Balance with statutory authorities	23.96	26.83
<b>Total</b>	<b>23.96</b>	<b>26.83</b>

## Notes to the financial statements

(₹ in Lacs)

## Note No: 14

## Share Capital

Particulars	Opening Balance	Additions	Deductions	Closing Balance
<b>Authorised Share Capital</b>				
C.Y. 11000000 Equity Shares of ₹10 Each. (P.Y. 3000000 Equity Shares of ₹10 Each)	1,100.00		-	1,100.00
<b>Issued Share Capital</b>				
C.Y. 10051434 Equity Shares of ₹10 Each. (P.Y. 6351434 Equity Shares of ₹10 Each)	635.14	370.00	-	1,005.14
<b>Subscribed And Fully Paid-Up Capital</b>				
C.Y. 10051434 Equity Shares of ₹10 Each. (P.Y. 6351434 Equity Shares of ₹10 Each)	635.14	370.00	-	1,005.14
<b>Total</b>	<b>635.14</b>	<b>370.00</b>	<b>-</b>	<b>1,005.14</b>

## Rights of Equity Share Holder

The Company has issued one class of equity shares having a face value of ₹10 per share. Each shareholder has right to vote in respect of such share, on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid-up equity capital of the Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors, in proportion to their shareholding.

## Reconciliation of numbers of fully paid up Shares

Particulars	Current Year		Previous Year	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares Outstanding at the beginning of the year	63.51	635.14	29.01	290.14
Preference Shares Outstanding at the beginning of the year				
Shares Issued during the year	37.00	370.00	34.50	345.00
<b>Balance Outstanding at the end of the year</b>	<b>100.51</b>	<b>1,005.14</b>	<b>63.51</b>	<b>635.14</b>

## Details of Members Holding more than 5% Equity Share in Company

Particulars	Current Year		Previous Year	
	No. of Shares	Amount	No. of Shares	Amount
Harshawardhan Hanmant Sabale	55.76	55.48%	55.76	87.80%
Varanium Networks Private Limited	7.75	7.71%	7.75	12.20%
	<b>63.51</b>	<b>63.19%</b>	<b>63.51</b>	<b>100.00%</b>

## Shareholding of Promoters :

Particulars	Current Year		Previous Year		% Change During the Year
	No. of Shares	Amount	No. of Shares	Amount	
Harshawardhan Hanmant Sabale	55.76	55.48%	55.76	87.80%	32.32%
Varanium Networks Private Limited	7.75	7.71%	7.75	12.20%	4.49%
	<b>63.51</b>	<b>63.19%</b>	<b>63.51</b>	<b>100.00%</b>	

## Notes to the financial statements

(₹ in Lacs)

### Note No: 15

#### Other Equity

Particulars	Current Year		Previous Year	
Profit & Loss A/C				
Opening Balance	877.34		37.16	
Additions	8,244.89		840.19	
	9,122.24		877.34	
Deductions	-	9,122.24	-	877.34
		9,122.24		877.34
<b>Securities Premium</b>		<b>3,983.00</b>		<b>-</b>
<b>Total</b>		<b>13,105.24</b>		<b>877.34</b>

### Note No: 16

#### Borrowings

Particulars	Current Year	Previous Year
From related parties	-	1.63
Inter Corporate Deposits From Enaar Advisors Pvt. Ltd	-	24.00
<b>Total</b>	<b>-</b>	<b>25.63</b>

### Note No: 17

#### Trade Payables

Particulars	Current Year	Previous Year
<b>Sundry Creditors :</b>		
<b>(i) MSME</b>	-	-
<b>(ii) Others</b>		
Less than 1 Year	93.66	1,623.00
(As stated by the company, there are no disputed Sundry creditors either to MSME or to Others as at the date of the Balance sheet)		
<b>Total</b>	<b>93.66</b>	<b>1,623.00</b>

### Note No: 18

#### Other Current Financial Liabilities

Particulars	Current Year	Previous Year
Expenses Payable to Related Parties	-	119.06
Other Expenses Payable	-	18.32
Interest Accrued On Borrowings	-	1.95
Other Payables	530.39	-
	<b>530.39</b>	<b>139.33</b>

### Note No: 19

#### Other Current Liabilities

Particulars	Current Year	Previous Year
Interim Dividend Payable	4.77	-
Other Payables	8.47	-
	<b>13.23</b>	<b>-</b>

## Notes to the financial statements

(₹ in Lacs)

### Note No: 20

#### Current Tax liabilities

Particulars	Current Year	Previous Year
Statutory Liabilities	(18.44)	11.11
Duties & Taxes		
Professional Tax Payable	0.06	0.04
TDS Payable	78.04	255.98
Other Tax Payables	0.42	9.50
<b>Total</b>	<b>60.08</b>	<b>276.63</b>

### Note No: 21

#### Provisions

Particulars	Current Year	Previous Year
Provision for Payables	3,585.52	489.12
<b>Total</b>	<b>3,585.52</b>	<b>489.12</b>

### Note No: 22

#### Revenue From Operation

Particulars	Current Year	Previous Year
Sales of Services	5,713.97	95.80
Export Sales	32,622.37	3,077.43
Commissions on Sales	-	361.98
<b>Total</b>	<b>38,336.34</b>	<b>3,535.21</b>

### Note No: 23

#### Other Income

Particulars	Current Year	Previous Year
Discount Received	1.01	-
Forfeited Share Application Money	0.01	-
<b>Total</b>	<b>1.02</b>	<b>-</b>

### Note No: 24

#### Purchase

Particulars	Current Year	Previous Year
Purchases	236.00	0.58
Data Centre Charges	20,184.67	969.10
Cost of Service	4,716.28	-
Payment Gateway Charges	-	69.19
<b>Total</b>	<b>25,136.94</b>	<b>1,038.86</b>

### Note No: 25

#### Employee Benefit Expenses

Particulars	Current Year	Previous Year
Salary & Wages	145.64	147.39
Director Remuneration	24.00	752.58
Staff Welfare	5.51	3.85
<b>Total</b>	<b>175.15</b>	<b>903.82</b>

## Notes to the financial statements

(₹ in Lacs)

### Note No: 26

#### Other Expenses

Particulars	Current Year	Previous Year
Audit Fees	5.00	5.00
Bank Charges	0.29	0.44
Legal Expenses	24.69	11.31
Professional Expenses	349.44	202.11
Business Promotion Expenses	128.08	38.02
Computer & Software Expenses	331.69	2.67
Donation Exp	2.00	1.03
Office Expenses	11.88	1.29
Other Expenses	41.60	4.69
Electricity Expenses	4.49	2.47
Communication Exp	7.82	3.75
Commission & Brokerage Expenses	-	62.08
Rent	116.17	38.78
Travelling & Conveyance Expenses	44.61	14.54
Rates & taxes	29.43	0.19
<b>Total</b>	<b>1,097.18</b>	<b>388.37</b>

### Note No. 27

In the opinion of the Board of Directors adequate provision has been made in the accounts for all known liabilities and the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the value stated in the Balance Sheet.

### Note No. 28

Other additional information pursuant to para 3, 4, 4A, 4C & 4D of Part II, Schedule III of the Companies Act, 2013, have not been furnished as the same are either NIL or not applicable.

### Note No. 29

As per the provision of "The Micro, Small and Medium Enterprise Development Act, 2006" there were no amounts payable including interest to micro, small and medium enterprise as on 31<sup>st</sup> March 2023.

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
(i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006		
Principal*	0.00	3.99
Interest	-	-

\* Included under other current liabilities

### Note No. 30

Provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 are applicable to the Company and the same has been complied.

### Note No. 31

#### Related Party Transaction

##### List of Related Parties

- Key Management Personnel

Mr. Harshawadhan Sabale  
Mr. Fahim Shaikh  
Mr. Kalpesh Acharekar  
Mr. Vinayak Jadhav

## Notes to the financial statements

(₹ in Lacs)

Ms. Hetal Somani  
Mr. Mukundan Raghavan

- Companies Under Same Management**

Beatnik Hospitality Private Limited  
Streamcast Studios Private limited  
Streamcast Media Private Limited  
Streamcast Logitech Private Limited  
Streamcast Education Service Limited  
Streamcast India Film Awards Private Limited  
Varanium Earth Private Limited  
Varanium Lifestyle Private Limited  
Varanium Networks Private Limited

### Details of Transaction With Related Parties

PARTICULARS	Current Year		Previous Year	
	Transaction	Outstanding	Transaction	Outstanding
	Value	Balance	Value	Balance
<b>Loans Taken</b>				
Key Management Personnel				
Harshawardhan Sabale	230.39	230.39	-	-
Mukundan Raghavan	-	7.50		
<b>Related Parties</b>				
Streamcast Education Services Private Limited	1.63	-	-	1.63
Streamcast Media Private Limited	115.03	-	-	115.03
Streamcast India Film Awards Private Limited	4.03	-	-	4.03
<b>Remuneration</b>				
Key Management Personnel				
Harshawardhan Sabale	24.00	-	752.58	-
Hetal Somani	2.85	-	1.58	0.20
Mukundan Raghavan	52.00	-	41.00	8.00
<b>Loan Given</b>				
Related Parties				
Beatnik Hospitality Private limited	0.58	-	-	0.58
Streamcast Studios Private Limited	7.11	-	-	7.11
Streamcast Logitech Private Limited	0.82	-	-	0.82
<b>Interest Receivable</b>				
<b>Related Parties</b>				
Beatnik Hospitality Private Limited	0.07	-		0.07
Streamcast Studios Private Limited	1.16	-		1.16
Streamcast Logitech Private Limited	0.09	-		0.09
<b>Key Management Personnel</b>				
Harshawardhan Sabale	-	-	38.03	-
<b>Capital Advances</b>				
Harshawardhan Sabale	257.62	-	-	257.62

## Notes to the financial statements

(₹ in Lacs)

### Note No. 32

The Company Is A Small And Medium Sized Company ("Smc") As Defined In The General Instructions In Respect of Accounting Standards Notified Under The Companies Act, 1956. Accordingly, The Company Has Complied With The Accounting Standards As Applicable To A Small And Medium Sized Company.

### Note No. 33

#### Earning Per Share

The Basic / Dilluted earnings per share is computed by dividing net profit attributable to equity shareholders for the financial year by weighted average number of equity shares outstanding during the financial year.

Particulars	31 <sup>ST</sup> MARCH 2023	31 <sup>ST</sup> MARCH 2022
Net Profit Attributable To Equity Share Holders	8,244.89	840.19
Number of Equity Shares	100.51	63.51
Weighted Average Number of Equity Shares	82.01	52.84
Basic & Diluted Earnings Per Share	82.03	15.90
Nominal Value Per Share	10.00	10.00

### Note No. 34

#### DEFERRED TAX

In compliance with the Accounting Standard - AS 22 relating to "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has created the Deferred Tax Asset (Liability) (net) arising out of timing difference accruing during the year aggregating ₹7,73,877/- (Previous Year ₹97,831/-) in the Profit & Loss Account.

Particulars	31 <sup>ST</sup> MARCH 2023		31 <sup>ST</sup> MARCH 2022	
	Assets	Liabilities	Assets	Liabilities
	(₹)	(₹)	(₹)	(₹)
Depreciation	5.40	-	-	2.34
	<b>5.40</b>	<b>-</b>	<b>-</b>	<b>2.34</b>

### Note No. 35

#### Accounting Ratios :

Particulars	31 <sup>ST</sup> MARCH 2023	31 <sup>ST</sup> MARCH 2022
1. Current Ratio	116.78	6.40
2. Debt-Equity Ratio	NA	NA
3. Debt Service Coverage Ratio	NA	NA
4. Return on Equity Ratio	10.42	0.26
5. Inventory Turnover Ratio	NA	NA
6. Trade Receivables Turnover Ratio	1.45	4.57
7. Trade Payables Turnover Ratio	29.28	NA
8. Net Capital Turnover Ratio	0.47	0.33
9. Net Profit/(Loss) Ratio	21.51%	23.77%
10. Return on Capital Employed	66.20%	59.75%
11. Return on Investment	66.20%	59.75%

## Notes to the financial statements

(₹ in Lacs)

### Note No. 36

During the year under consideration the company had provided Payment Facility Services to companies under same management M/s. Varanium Earth Private Limited & Varanium Lifestyle Private Limited and from the said services the company had earned commission income. However the company has to yet pay an amount of ₹25,82,51,996/- to the said companies, the given below table summarises the amount payable to each company

Name of Company	Current Year		Previous Year	
	Transaction Amount	Outstanding Amount	Transaction Amount	Outstanding Amount
Varanium Earth Private Limited	887.73	496.71	391.02	391.02
Varanium Lifestyle Private Limited	2,318.89	2,085.81	233.09	233.09

### Note No. 37

#### Category wise classifications of financial instruments

Particulars	31 <sup>st</sup> March 2023			31 <sup>st</sup> March 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Current financial assets</b>						
Trade Receivable	-	-	12,864.17	-	-	378.60
Cash and cash equivalents	-	-	8.56	-	-	-
Loans	-	-	-	-	-	-
Amount/advances recoverable	-	-	-	-	-	78.95
Interest accrued on loan given	-	-	-	-	-	51.39
<b>Total financial assets</b>	-	-	<b>12,872.72</b>	-	-	<b>508.94</b>
<b>Non-Current Financial Liabilities</b>						
Borrowing	-	-	-	-	-	180.00
<b>Current financial liabilities</b>						
Borrowings	-	-	-	-	-	45.63
Expenses payable	-	-	-	-	-	137.09
Interest accrued on borrowings	-	-	-	-	-	1.95
<b>Total financial liabilities</b>	-	-	-	-	-	<b>184.67</b>

The fair value of cash and cash equivalents/amount/advances recoverable, borrowings and expenses payables approximated their carrying value largely due to short-term maturities of these instruments.







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**Varanium Cloud Limited**  
3rd Floor, Varanium House  
244 SVP Nagar, Andheri West, Mumbai 400053

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