

Date: 05-09-2025

To
The BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai — 400 001

Scrip Code: 533056

ISIN: INE359B01010

Dear Sir/Madam,

Sub: Notice of 27th Annual General Meeting (AGM) along with Annual report FY: 2024-25

Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the subject cited and pursuant to Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements), 2015, please find enclosed Notice convening 27th Annual General Meeting and Annual Report for the financial year 2024-25.

The Annual Report for the Financial Year ended March 31, 2025, is also available on the website of the Company i.e., <https://vedavaag.com/Disclosures>.

Kindly take the above information on record.

Thanking You.

Yours faithfully,

For Vedavaag Systems Limited

Saiteja Ivaturi

Company Secretary & Compliance Officer

Enclosed: a/a



VEDAVAAG SYSTEMS LIMITED

endeavoring digital transformation

27th

ANNUAL REPORT

FY 2024-25

FINANCIAL
INCLUSION



INSURANCE



EDUTECH



SYSTEM
INTEGRATION-
SOLAR ENERGY





Outstanding performance - PMSBY, APY & PMJDY - FY 2024-25



Outstanding performance -PMJDY - FY 2024-25 - Lucknow

VEDAVAAG SYSTEMS LIMITED

27th ANNUAL REPORT 2024-25



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Jonnavittula Murali Krishna Managing Director	Mr. Pannala Srinivas Independent Director	Mr. Narsupalli Pradeep Kumar Independent Director
*Mr. D Ramesh Sinha Independent Director	*Mr. Raghavacharya Vasudevan Independent Director	Dr. Jonnavittula Ananth Non-Executive and Non-Independent Director
Mrs. Sujata Jonnavittula Non-Executive and Non-Independent Director (Woman)		

* Mr. D. Ramesh Sinha tendered his resignation from the Board of Directors in the capacity of Independent Director with effect from November 14, 2024.

* Mr. Raghavacharya Vasudevan was appointed as an Independent Director on the Board with effect from August 30, 2024.

BOARD COMMITTEES

Audit Committee

Mr. Pannala Srinivas	- Chairman
*Mr. D Ramesh Sinha	- Member
*Mr. Raghavacharya Vasudevan	- Member
Mrs. Sujatha Jonnavittula	- Member

* The Audit Committee of the Board was reconstituted on November 14, 2024, pursuant to the resignation of Mr. D. Ramesh Sinha (Independent Director), by appointing Mr. Raghavacharya Vasudevan (Independent Director) as a member of the Committee.

Stakeholders Relationship Committee

Mr. N Pradeep Kumar	- Chairman
Mr. Pannala Srinivas	- Member
Mrs. Sujatha Jonnavittula	- Member

Nomination and Remuneration Committee

Mr. Pannala Srinivas	- Chairman
Mr. N Pradeep Kumar	- Member
Mrs. Sujatha Jonnavittula	- Member

Corporate Social Responsibility Committee

Mr. Jonnavittula Murali Krishna	- Chairman
*Mr. D Ramesh Sinha	- Member
*Mr. Raghavacharya Vasudevan	- Member
Mrs. Sujatha Jonnavittula	- Member

* The Corporate Social Responsibility (CSR) Committee of the Board was reconstituted on November 14, 2024, following the resignation of Mr. D. Ramesh Sinha (Independent Director), by appointing Mr. Raghavacharya Vasudevan (Independent Director) as a member of the Committee.

KEY MANAGERIAL PERSONNEL (KMP)

Mr. Jonnavittula Murali Krishna	- Managing Director
Mr. T. B. Krishna Mohan	- Chief Financial Officer
Mr. Saiteja Ivaturi	- Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s. Pary & Co.
Chartered Accountants
No.-6, 2nd Floor, 8-2-703/VJ/6, Vijay Villa,
Road No. 12, Banjara Hills-500034, Hyderabad,
Telangana

SECRETARIAL AUDITORS

M/s VCSR & Associates, Company Secretaries,
8-3-945, 3rd Floor, 305 A & B,
Pancom Business Centre, Ameerpet-500 073
Hyderabad, Telangana

BANKERS

State Bank of India
Bank of Baroda
Punjab National Bank
ICICI Bank
Indian Overseas Bank

REGISTERED OFFICE

1-89/G/113 NR, 3rd Floor Park View, Gafoor Nagar,
Madhapur, Hi-tech City, Hyderabad – 500081
T +91 70324 95959
E info@vedavaag.com
CIN: L72200TG1998PLC029240

STOCK EXCHANGE

The BSE Limited

REGISTRAR AND SHARE TRANSFER AGENT

Venture Capital And Corporate Investments Private Limited
Door No. 4-50/P-II/57/4 & 5th Floors, Plot No. 57,
Jayabheri Enclave, Phase II, Gachibowli,
Seri Lingampally TG 500032 IN
T + Phones: 23818475 / 23818476 / 23868023
Email: investor.relations@vccipl.com

| NOTICE TO THE ANNUAL GENERAL MEETING

To the Members of **Vedavaag Systems Limited**

NOTICE IS HEREBY GIVEN THAT THE 27TH ANNUAL GENERAL MEETING OF VEDAVAAG SYSTEMS LIMITED WILL BE HELD ON MONDAY, SEPTEMBER 29, 2025, AT 09:30 A.M AT THE SURANA AUDITORIUM, THE FEDERATION OF TELANGANA CHAMBER OF COMMERCE AND INDUSTRY, RED HILLS (FTCCI), HYDERABAD - 500004 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the Financial Year ended March 31, 2025 together with Reports of the Board of Directors and Statutory Auditors thereon, including Annexure thereto.

2. DECLARATION OF FINAL DIVIDEND ON EQUITY SHARES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

To Declare Final Dividend on Equity shares @ Rs. 0.5/- (i.e., 5%) per Equity Share of Face Value of Rs. 10.00 (Rupees Ten Only) for the Financial Year ended March 31, 2025.

3. RE-APPOINTMENT OF MRS. SUJATA JONNAVITTULA (DIN: 07014640), AS DIRECTOR OF THE COMPANY

To appoint a director in place of Mrs. Sujata Jonnavittula (DIN: 07014640), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. TO CONSIDER AND APPROVE APPOINTMENT OF SECRETARIAL AUDITORS OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 204 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), read with Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, pursuant to recommendation of the Audit Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded for appointment of **M/s. VCSR & Associates**, Practicing Company Secretaries, Hyderabad, as Secretarial Auditor of the Company for a period of 5 (Five) consecutive financial years commencing from the financial year **2025-26 up to 2029-30**, at such remuneration as may be determined by the Board of Directors of the Company (including its committee thereof) in consultation with the Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof if any) be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

5. TO CONSIDER AND APPROVE APPOINTMENT OF MR. SUBRAMANYAM SRIPATI PANDITARADHYULA VENKATA MALLIKARJUNA (DIN: 05107840) AS INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 161(1) of the Companies Act, 2013 (the Act), Regulation 17 (1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Articles of Association of the Company and other applicable provisions (including any statutory modification or re-enactment thereof for the time being in force); Mr. Subramanyam Sri Pati Panditaradhyula Venkata Mallikarjuna (DIN: 05107840), who was appointed by the Board of Directors as an Additional Independent Director of the Company with effect from August 30, 2025 and who meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder be and is hereby appointed as an independent Director of the Company not liable to retire by rotation, for a term of Five (05) years."

For **Vedavaag Systems Limited**

Sd/-
J Murali Krishna
Managing Director
DIN: 00016054

Place: Hyderabad
Date : 30-08-2025

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect to the special businesses to be transacted at the AGM is annexed hereto. Additional information as per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard -2 ("SS-2") on General Meetings issued by the Institute of Company Secretaries of India, concerning item nos. 4 and 5 of the Notice are annexed.
2. Pursuant to the provisions of section 105 of the Act and Regulation 44(4) of the SEBI Listing Regulations, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy needs not be a member of the Company.
2. Proxies to be effective must be received by the Company not less than 48 hours before the meeting.
3. Dispatch of Annual Report through Electronic mode:

In compliance with the MCA Circulars and the Securities and Exchange Board of India ("SEBI") circulars the Notice of the 27th AGM along with the Annual Report for the financial year 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant/Registrar and Share Transfer Agent of the Company.

The Company shall send physical copy of the Annual Report for the financial year 2024-25 to those members who request for the same at cs@vedavaag.com mentioning their Folio No./DP ID and Client ID.

Members may note that this Notice along with the Annual Report for the financial year 2024-25 will also be available on the website of the Company at www.vedavaag.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and also on the website of e-voting agency NSDL at the website address <https://www.evoting.nsdl.com>.
4. Members who are holding shares in physical mode and who have not registered/updated their email id address with the company are requested to register/update the same by writing to the Company's RTA with folio number attaching self-attested copy of Pan card and a photocopy of blank cancelled cheque of their bank account at investor.relations@vccipl.com or to info@vedavaag.com.

Members who have not registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") since the shares are held by them in electronic form.
5. Members who have not yet registered their e-mail addresses, bank account details and mobile number are requested to register the same with their Depository Participants ("DP") since the shares are held by them in electronic Form.
6. Special attention is drawn on Mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities with reference to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_PoD-1/P/CIR/2023/37 dated March 16, 2023; the communication has been sent to all the physical shareholders on their latest available address.
7. The Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a Certified Copy of the Board Resolution authorising their representative to attend and vote on their behalf at their meeting.
8. Members who hold shares in physical form can nominate a person in respect of all share held by them singly or jointly. Members who hold shares in single name are advised in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant for recording nomination of shares.
9. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members Holding Shares in electronic form are, therefore requested to submit their PAN to the Depository Participants with whom they maintain their Demat accounts. Members, who hold the shares in Physical, should submit their PAN to the Company/ Registrar.
10. Subject to the receipt of requisite number of votes, the resolutions proposed in the notice shall be deemed to be passed on the date of AGM.
11. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, as applicable provisions of the Companies Act, 2013 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM are also annexed.

BOOK CLOSURE AND DIVIDEND:

1. The Register of members and Share Transfer Books of the Company will be closed from Wednesday, September 24, 2025 to Monday September 29, 2025, both days inclusive. The dividend of Rs. 0.5/- per share on the Equity Shares of the Company if declared by Members at AGM will be paid after deduction of Income Tax at Source (TDS).
2. The final dividend, if declared, shall be paid on or before the specified date to those members whose names appear in the register of members as of the close of business hours on September 23, 2025 Tuesday, as per details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in the case of shares held in dematerialized form.
3. Shareholders may note that the Income Tax Act 1961, as amended by Finance Act 2021, mandates that dividends paid or distributed by the Company after 1st April 2021 for Rs 5000 or more shall be taxable in the hands of shareholders and the Company is required to deduct tax at source from dividends paid to the shareholders in accordance to the provisions of the Act.

i. Resident Shareholders

Particulars	TDS rate
With PAN	10% or as may be notified by the Government of India
Without/Invalid Form	20% or as may be notified by the Government of India
Submission of declaration in form 15G and 15H	NIL

Members are hereby requested to update their PAN with Company/RTA (in case shares held in the physical form) and depository participant (In case of share held in demat mode) to get the benefit of lower TDS rate

ii. Non-Resident Shareholders:

TDS rate @20% plus applicable surcharges and cess or applicable tax treaty rate between India and country of residence (whichever is lower subject to following conditions).

The Non-resident shareholders are requested to provide the following documents to avail the tax treaty benefits by sending mail investors.relations@vccipl.com on or before 20.09.2022.

- a) Declaration of "No permanent establishment in India"
 - b) Beneficial ownership declaration
 - c) tax residency certificate
 - d) Form 10F
4. Members who hold shares in Dematerialized form and want to change/ correct/provide their Bank details should send the same immediately to their Depository Participant. Members are also requested to give the MICR code of their bank to Depository Participant.
 5. Members who are holding shares in physical form are advised to submit their bank account details viz., name and address of the branch of the bank, MICR code of the branch, type of account, account number to the Registrar and Share Transfer Agent Venture Capital and Corporate Investments Private Limited, Door No. 4-50/P-II/57/4 & 5th Floors, Plot No. 57, Jayabheri Enclave, Phase II, Gachibowli, Seri Lingampally TG 500032.
 6. Pursuant to provisions of Section 124 and 125 of the Companies Act, 2013, the amount of dividend remaining unclaimed for a period of seven years is to be transferred to Investor Education and Protection Fund.
 7. Members who have not encashed the Dividend Warrants so far are requested to send their Claims. For the Financial Years 2017-2018, 2018-2019, 2019-20, 2020-21 and 2021-22 before the due dates as the unclaimed dividend will get transfer to IEPF Account in the years 2025, 2026, 2027, 2028 and 2029 respectively.

The unclaimed dividend for the FY 2017-18 shall be transferred to IEPF account on or before the calendar year ended 2025.

VOTING THROUGH ELECTRONIC MEANS:

1. In terms of the provisions of Section 108 and 109 of the Companies Act, 2013 (the Act) read with Rule 20 and 21 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the notice through electronic voting

2. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing e-voting facility to the members to exercise their right to vote on resolutions proposed to be passed in the meeting by electronic means. The members may cast their vote using an electronic voting system from a place other than the venue of the meeting ('Remote e-voting'). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the authorized agency to provide e-voting facilities.
3. The Board of Directors has appointed Mrs. D. Renuka, Practicing Company Secretary, (Membership No. ACS 11963 and CP No. 3460) as a Scrutinizer to scrutinize the remote e voting process and poll at AGM in a fair and transparent manner.
4. The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would first count the votes cast at the meeting, thereafter unblock the votes cast through remote e voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than two (2) working days from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman or a person authorized by the Chairman for counter signature.
5. The Results shall be declared by the Chairman or by an authorized person of the Chairman and the resolutions will be deemed to have been passed on the date of AGM, subject to receipt of requisite number of votes in favour of the resolutions.
6. After declaration of the results, the same shall be placed along with the Scrutinizer's Report(s) on the website of the Company www.vedavaag.com and communicated to BSE Limited where the shares of the Company are listed for placing the same on their website.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

The remote e-voting period begins on Thursday, September 25, 2025 at 09:00 A.M. and ends on Sunday, September 28, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, September 23, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, September 23, 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:


Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> 
Individual Shareholders holding securities in demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by 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. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to prenukaacs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under «e-Voting» tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to SwapneelP@nsdl.com at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@vccipl.com or to info@vedavaag.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations@vccipl.com or to info@vedavaag.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

EXPLANATORY STATEMENT TO BE ANNEXED TO THE NOTICE UNDER SECTION 102 OF THE COMPANIES ACT 2013.

ITEM 4:

Pursuant to provisions of Section 204 of the Companies Act, 2013, and relevant rules thereunder, read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), every listed company is required to annex with its Board's Report, a secretarial audit report, issued by a Practising Company Secretary.

For this purpose, the Board of Directors of the Company had appointed **M/s. VCSR & Associates**, Practising Company Secretaries (FRN: P2014AP034200), as Secretarial Auditors of the Company for the financial year 2024-25 and they have issued their report which is annexed to the report of the Board of Directors of the Company as a part of the Annual Report.

SEBI vide its notification dated 12 December 2024, amended the SEBI Listing Regulations, 2015. The amended regulations require companies to obtain shareholders' approval for appointment of Secretarial Auditors, in addition to approval by the Board of Directors. Further, such Secretarial Auditor must be a peer reviewed company secretary and should not have incurred any of the disqualifications as specified by SEBI. Pursuant to the Regulation 24A & other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with provisions of Section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of the Companies Act, 2013, if any ("the Act"), the Audit Committee and the Board of Directors at their respective meetings held on May 30, 2025 have approved subject to approval of Members **M/s. VCSR & Associates**, a firm of Practising Company Secretaries, as the Secretarial Auditors of the Company for a term of five consecutive financial years commencing from financial year 2025-26 up to 2029-30.

VCSR & ASSOCIATES, Company Secretaries is one of the leading Corporate Consultants in Hyderabad with an experience of nearly 2 decades with expertise in providing a wide range of quality professional services in the field of Corporate Laws, Taxation, Finance & Accounting, Legal Compliances, Corporate Governance, Corporate Social Responsibility and allied services.

Vedavaag has approached M/s VCSR & Associates for the Company's secretarial audit and its fee model has been found to be suitable and aligns with the Company's requirements. Furthermore, in terms of the amended regulations, VCSR & Associates has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate. It has confirmed that they are not disqualified from being appointed as Secretarial Auditors and that they have no conflict of interest.

It has further furnished a declaration that they have not taken up any prohibited non-secretarial audit assignments for the Company, its holding and subsidiary companies. The proposed remuneration to be paid to VCSR & Associates for the financial year ending March 31, 2026, is INR 1,00,000/- (Rupees One Lakh only) plus applicable taxes and out of pocket expenses.

The Board of Directors and the Audit Committee shall approve revisions to the remuneration of the Secretarial Auditors, for the balance part of the tenure based on review and any additional efforts on account of changes in regulations, restructuring or other considerations. The Board of Directors in consultation with the Audit Committee may alter or vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, either financially or otherwise, in the said resolution. The Board of Directors, in the interest of the Company, recommends the Ordinary Resolution set out at Item no. 4 of the Notice for approval by the shareholders.

ITEM 5:

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on **August 30, 2025**, recommends to the shareholders the appointment of **Mr. Subramanyam Sripati Panditaradhyula Venkata Mallikarjuna (DIN: 05107840)** as an **Independent Director** of the Company for a term of **five (5) consecutive years**.

Brief Profile of Mr. Subramanyam Sripati Panditaradhyula Venkata Mallikarjuna:

Mr. Subramanyam has over **25 years of extensive experience in delivery of enterprise-wide software solutions**. He possesses a unique ability to seamlessly integrate business processes with technology platforms, which has resulted in the successful launch of diverse enterprise applications including ERP, PPM, Quality Management Systems, Project Management Systems, CRM, LIMS, and Document Management Systems. He is the founder of **Infionic**, and prior to this, he held leadership roles at **Solutions Inc.** and **Orbit-e Consulting**, where he worked across multiple geographies delivering large-scale business and technology solutions. His experience includes managing multi-million-dollar IT services and product implementations across the US and India, with expertise spanning the **Manufacturing, Real Estate, and Professional Services** sectors.

Beyond his professional career, Mr. Subramanyam is deeply passionate about sports. He founded **SLAN Sports**, an initiative aimed at making sports a regular habit. SLAN Sports organizes leagues and tournaments across various disciplines, providing consistent competitive platforms. Through the **SLAN Sports Foundation**, he extends opportunities for children from government schools to participate in sporting events and gain meaningful exposure.

Given his expertise, experience, and leadership, the Board is of the view that Mr. Subramanyam's association will bring **immense value to the Company**, and therefore recommends his appointment as an Independent Director.

None of the Directors, Key Managerial Personnel of the Company, or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at **Item No. 5** of this Notice.

ANNEXURES TO THE NOTICE

Appointment/Re-Appointment at the Annual General Meeting as Required Under Regulation 36 of the Sebi (Listing Regulations and Disclosure Requirement) Regulations 2015

DIN	05107840
Date of Birth and Age	08/11/1978 – 46 years
Qualification	B.E. (Hons). Electrical & Electronics Engg, BITS Pilani MBA, IIM Calcutta, Strategy and Technology
Experience	Mr. Subramanyam has over 25 years of extensive experience in delivery of enterprise-wide software solutions . He possesses a unique ability to seamlessly integrate business processes with technology platforms, which has resulted in the successful launch of diverse enterprise applications including ERP, PPM, Quality Management Systems, Project Management Systems, CRM, LIMS, and Document Management Systems. He is the founder of Infionic , and prior to this, he held leadership roles at Solutions Inc. and Orbit-e Consulting , where he worked across multiple geographies delivering large-scale business and technology solutions. His experience includes managing multi-million-dollar IT services and product implementations across the US and India, with expertise spanning the Manufacturing, Real Estate, and Professional Services sectors.
Relationship with other Directors and Key Managerial Personnel of the Company of the Company	NA
Nature of appointment (appointment / re-appointment)	Appointment
Terms and conditions of appointment / re-appointment	Tenure: 5 years
Remuneration last drawn by such person, if any and remuneration sought to be paid	NA
Date of first appointment on the Board	30-08-2025
Shareholding in the Company	Nil
No. of meetings of the Board attended during the year	NA
Directorship details	1. INFIONIC INDIA PRIVATE LIMITED 2. SLAN SPORTS PRIVATE LIMITED 3. DATA SIMPLE TECHNOLOGIES PRIVATE LIMITED 4. XPERTE LEARNWARE LLP
*Chairman/Member in the Committees of the Board of Companies in which he is Director	NA
*Committee membership/Chairmanships include only Audit Committee and Stakeholders Relationship Committee of other public and/or Listed Companies including the Company in which his re-appointment is proposed.	

| FROM MDs DESK

Respected Shareholders, Members of the Board, Partners, Employees, and Friends

Greetings!!

The Year in Perspective

This year was one of steady execution in a dynamic environment. Our focus on last-mile presence, assisted digital journeys, and disciplined execution helped us stay relevant and resilient. Financially, we maintained a conservative stance with disciplined working capital and selective growth. The Board has also recommended a dividend, subject to your approval.

Strategic Focus

Vedavaag is building durable value in three impact verticals:

1. **Financial Inclusion** – expanding Business Correspondent services with stronger agent productivity, better compliance, and deeper partnerships with banks and insurers.
2. **Edutech** – bridging the teacher shortage gap with remote teaching, tuition centres, and test-prep solutions, while focusing on student outcomes and affordability.
3. **System Integration** – The Company continues to actively pursue projects in IoT and other emerging technologies, leveraging its strong presence and field executive capabilities, while maintaining a disciplined approach to minimize capital outlay.

Looking Ahead

For FY 2025–26, our priorities are clear:

- Scale active BC points, throughput, and financial product penetration.
- Expand Edutech to more tuition centres and schools with measurable learning outcomes.
- Invest in digital tools, training, and governance to improve efficiency and trust.

System Integration

In FY 2025–26, Vedavaag has also stepped into the **sustainable energy wing** with the launch of our **IoT enabled Solar Street lighting execution**. This marks the beginning of our journey into renewable energy infrastructure services, aligned with India's sustainability goals.

Gratitude

I thank our shareholders for their confidence, our Board for its guidance, our partners for their collaboration, and our employees and agents for their dedication. Above all, I thank our Bankers, customers and communities for the trust that gives purpose to our work.

We remain committed to inclusive, responsible, and technology-enabled growth.

ROUTE MAP FOR AGM VENUE



DIRECTORS' REPORT

Dear Members

Your directors have pleasure in presenting the 27th Directors' Report of your company together with the audited Standalone and Consolidated Financial Statements for the year ended, March 31, 2025.

1. Financial Summary

Standalone:

(Rs. In lacs)

Particulars	2024-25	2023-24
Revenue from Operations	7250.06	6154.88
Other Income	14.32	8.34
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	1210.45	997.17
Less: Depreciation	188.51	166.26
Profit before Finance Costs, Exceptional items and Tax Expense	1021.94	830.91
Less: Finance Cost	115.71	19.78
Profit before Exceptional items and Tax Expense	906.23	811.13
Add/(less): Exceptional items	0	0
Profit before Tax Expense	906.23	811.13
Less: Tax Expense (Current & Deferred)	231.46	207.29
Profit for the year	674.77	603.84

Consolidated:

Particulars	2024-25	2023-24
Revenue from Operations	10578.72	8670.42
Other Income	14.32	8.73
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	1576.70	1677.97
Less: Depreciation	326.54	668.49
Profit before Finance Costs, Exceptional items and Tax Expense	1250.16	1009.48
Less: Finance Cost	115.71	19.78
Profit before Exceptional items and Tax Expense	1134.45	989.70
Add/(less): Exceptional items	0	0
Profit before Tax Expense	1134.45	989.70
Less: Tax Expense (Current & Deferred)	293.14	200.71
Profit for the year	841.31	788.99

2. Transfer to Reserves:

The Board of Directors of your Company has decided not to transfer any amount to the reserves for the year under review.

3. Dividend:

The Board of Directors of your Company is pleased to recommend a dividend of Rs. 0.50/- per equity share of the face value of Rs. 10/- each (@5%), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure / Record date.

4. Unclaimed dividend and shares to the investor education and protection fund

Members are requested to claim dividend(s) which have remained unclaimed, by sending a request to the Company at e-mail ID cs@vedavaag.com or to the Company's Registrar and Share Transfer Agent (RTA) at e-mail info@vccipl.com or to their postal address - Venture Capital and Corporate Investments Private Limited - Door No. 4-50/P-II/57/4 & 5th Floors, Plot No. 57, Jayabheri Enclave, Phase II, Gachibowli, Gachibowli, Hyderabad, Seri Lingampally, Telangana, India, 500032.

The Company is required to transfer unclaimed or unpaid amounts or shares to the Investor Education and Protection Fund (IEPF) during the FY 2024-25 and the same shall be transferred to IEPF account in due course of time.

The list of shareholders with unclaimed dividends has been updated on the Company's website at: <https://www.vedavaag.com/Disclosures>

5. State of the Company's Affairs:

The Company continues to provide customised Financial Inclusion, Insurance, and other micro-level services. It remains focused on delivering innovative, value-driven solutions across various segments, thereby strengthening its market position. By offering high-quality products and services, the Company effectively leverages emerging opportunities and maintains a competitive edge.

There was no change in the nature of business of the Company during the year under review.

On Standalone basis the revenue from operations for FY 2024-25 was Rs. 7250.06 lakhs as compared to previous year revenue of Rs. 6154.88 lakhs i.e., 2023-24 and net profit was Rs. 674.77 lakhs as compared to Rs. 603.84 lakhs for the FY 2023-24.

The consolidated revenue from operations was Rs. 10578.72 lakhs as compared to previous year revenue of Rs. 8670.42 lakhs i.e., for FY 2023-24 and net profit was Rs. 841.31 lakhs as compared to Rs. 788.99 lakhs for the FY 2023-24.

During the year under review there were no significant or material orders passed by regulators, courts or tribunals impacting the Company's operations in future.

6. Public Deposits:

Your company has not accepted any deposits falling within the meaning of section 73 of the Companies Act 2013, read with Companies (Acceptance of Deposits) rules 2014 during the Financial Year.

7. Share Capital:

a) Equity:

During the year under review the authorized and paid-up share capital of the Company is increased as detailed below.

The Authorized share capital of the Company as on March 31, 2025 is Rs. 32,00,00,000/- divided into 3,20,00,000 Equity Shares of Rs. 10/- each fully paid up.

The paid-up share capital of the Company as on March 31, 2025 is Rs. 23,21,87,000/- divided into 2,32,18,700 Equity Shares of Rs. 10/- each fully paid-up.

Warrants Issue and Conversion details as on March 31, 2025:

During the year, the Company has allotted **79,38,000 convertible warrants** at an issue price of ₹63/- each, comprising a face value of ₹10/- and a premium of ₹53/- per warrant.

1. Date of receipt of In-principle approval from BSE for issue of Warrants: 08-10-2024
2. No. of securities allotted (along with date of allotment): 7938000 Securities on 23-10-2024
3. Less: No. of securities converted into equity shares till date (excluding present conversion): 0
4. Less: No. of securities converted for the period ending March 31, 2025: 293700
5. Balance no. of securities to be converted into equity shares: 7644300

The Company allotted 2,93,700 equity shares upon conversion of warrants at the Board Meeting held on March 20, 2025. Listing approval for the said shares was received on June 13, 2025, and trading approval was granted on July 8, 2025.

8. Listing of Equity Shares

The Company's Equity Shares are listed on Stock Exchange i.e., on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India.

The Company has paid Annual Listing Fees to the Stock Exchange for the FY 2025-26.

9. **Subsidiary, Associate and Joint Venture Companies:**

Your company has 4 wholly owned subsidiary Companies as on March 31, 2025 viz., VSL Datasystems Private Limited, Vedavaag Edutech Private Limited, Vedavag Common Service Centres Private Limited and Vedavaag Financial Services Private Limited.

The Company initiated the closure process of its subsidiary - Vedavaag Kiya Ecommerce Private Limited, and the same has been completed. An official intimation confirming the closure was received on March 05, 2025.

Pursuant to Provisions of Section 129 of the Companies Act 2013, read with rule 5 of the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of financial statements of the Company's Subsidiaries in the form AOC -1 is annexed (Annexure-1) to this report.

The detailed policy for determining material subsidiaries as approved by the Board is uploaded on the Company's website <https://vedavaag.com>.

10. **Details of the Companies which have become or ceased to be Subsidiaries, joint ventures or associates during the year**

During the Financial Year 2024-25, Vedavaag Kiya Ecommerce Private Limited ceased to be Subsidiary, the Company does not have any Associate(s) or Joint Ventures. An official intimation confirming the closure was received on March 05, 2025, and the company does not have any associate(s) or joint ventures.

11. **Performance and Contribution of Each of the Subsidiaries, Associates and Joint Ventures**

As per Rule 8 of Companies (Accounts) Rules, 2014, a Report on the Financial performance of Subsidiaries along with their contribution to the overall performance of the Company during the Financial Year ended 31 March 2025 is appended to this Report as Annexure – II.

12. **Consolidated Financial Statements**

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies act, 2013. The Consolidated Financial Statements for the Financial Year ended March 31, 2025 forms part of the Annual Report.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed

separate Audited accounts of its Subsidiaries on its website <http://vedavaag.com>.

13. **Directors' Responsibility Statement**

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Director's Responsibility Statement, the Board of Directors of the Company hereby confirm that:

- in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- the Directors have 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 ended March 31, 2025 and the Profit of the Company for the year under review.
- 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.
- the Directors had prepared the annual accounts on a 'going concern' basis.
- the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- 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.

14. **Management Discussion and Analysis**

Pursuant to the provisions of Regulation 34 read with Schedule 5 of the SEBI (Listing Obligation and Disclosure Requirement) regulation 2015, a report on Management Discussion and Analysis is enclosed as Annexure- 5.

15. **Key Managerial Personnel:**

KMP's of the Company as per Section 203 of Companies Act, 2013

- 1) Mr. Jonnavittula Murali Krishna
Managing Director
- 2) Mr. Tirumalabukapatnam Krishna Mohan
Chief Financial Officer
- 3) Mr. Saiteja Ivaturi
Company Secretary & Compliance Officer

16. Directors

During the under review the composition of the Board is as stated below:

Mr. Jonnavittula Murali Krishna
Managing Director - DIN: 00016054

Mr. Srinivas Pannala
Independent Director - DIN: 00018295

Mr. Pradeep Kumar Narsupalli
Independent Director - DIN: 03498381

***Mr. Raghavacharya Vasudevan**
Independent Director - DIN: 01798811

Mrs. Jonnavittula Sujata
Non-Executive Non-Independent Woman Director
DIN: 07014640

Dr. Jonnavittula Ananth
Non-Executive Non-Independent Director
DIN: 09300935

During the year under review, Mr. Raghavacharya Vasudevan was appointed as an Additional Director in the capacity of an Independent Director with effect from August 30, 2024. His appointment was regularised by the shareholders at the Annual General Meeting held on September 30, 2024.

Further, Mr. Ramesh Sinha Duggi resigned from the position of Independent Director with effect from November 14, 2024. The Board places on record its appreciation for the valuable contributions made by Mr. Ramesh Sinha Duggi during his tenure.

None of the Directors are disqualified under the provisions of Companies Act, 2013.

17. Number of Board Meetings:

The Board met 9 (Nine) times during the financial year and the details of Board Meetings were given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was well within the period prescribed under the provisions of the Companies Act, 2013.

18. Board Committees

In terms of the requirements of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as a part of the best corporate governance practices, the terms of reference and the constitution of these Committees is in compliance with the applicable laws and to ensure focused attention on business and for better governance and accountability.

The Board has constituted Audit Committee, Stakeholders' Relationship Committee, Nomination, Remuneration & Compensation Committee and Corporate Social Responsibility Committee. The

Details of each of these committees outlining their composition, terms of reference and number of meetings held during 2024-25, are outlined in the Corporate Governance Report forming part of this annual report.

During 2024-25, recommendations made by the Committees to the Board of Directors were accepted by the Board, after due deliberations.

19. Statement on declaration given by Independent Directors under Section 149

The Company has received declaration of independence from all the Independent Directors as stipulated under Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, confirming that they meet the criteria of independence, which has been duly assessed by the Board as part of their annual performance evaluation exercise.

Further, in terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors have also confirmed that they are not aware of any circumstances or situations, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

20. Meeting of Independent Directors

A separate meeting of the Independent Directors was held on February 14, 2025 with no participation of Non-Independent Directors or the Management of the Company, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non- Executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

21. Board Evaluation and Assessment:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had carried out an annual evaluation of its own performance and that of its committees as well as performance of the Director individually. Feedback was sought by way of structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board culture, execution and performance of specific duties, obligations and

governance and the evaluation was carried out based on the response received from Directors.

The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors. The criteria for evaluation are broadly based on the Guidance Note on Board Evaluation issued by Securities Exchange Board of India.

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

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by entire board excluding the independent director being evaluated.

22. Familiarization Programmes

The Members of the Board of the Company have been provided with all the documents to enable them to familiarize themselves with the Company, its management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its operations and the industry in which it operates. All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement and also on regulatory changes from time to time by the senior management personnel.

The detailed policy on the familiarisation programme is available on the website at www.vedavaag.com.

23. Code of Conduct:

The Company has laid down a Code of Conduct which has been effectively adopted by the Board Members and Senior Management Personnel of the Company.

The detailed policy on the Code of Conduct is available on the website at www.vedavaag.com

24. Policy on Directors appointment and remuneration:

The Policy of the Company on Directors appointment and remuneration including the criteria for

determining qualifications, positive attributes, Independence of Directors and other matters are adopted as per the provisions of the Companies act 2013.

25. Internal Controls:

The company's internal control system has been established on the values of integrity and operational excellence. The company's internal control system is periodically tested and supplemented by extensive program.

- Financial propriety of business transactions.
- Safeguarding the assets of the Company.
- Compliance with prevalent statues, regulations, management authorization, policies and procedures.

The Audit Committee of the Board periodically reviews audit plans, observations and recommendations of the internal and external auditors, with reference to the significant risk areas and adequacy of internal controls and keeps the Board of Directors informed of its observations, if any, from time to time.

26. Composition of Committee:

Audit Committee

S.No	Name of Member	Position
1	Mr. Pannala Srinivas	Chairman
2	*Mr. D Ramesh Sinha	Member
3	*Mr. Raghavacharya Vasudevan	Member
4	Mrs. Sujatha Jonnavittula	Member

**The Audit Committee of the Board was reconstituted on November 14, 2024, pursuant to the resignation of Mr. D. Ramesh Sinha (Independent Director), by appointing Mr. Raghavacharya Vasudevan (Independent Director) as a member of the Committee.*

Nomination and Remuneration Committee:

S.No	Name of Member	Position
1	Mr. Srinivas Pannala	Chairman
2	Mrs. Sujatha Jonnavittula	Member
3	Mr. Pradeep Kumar Narsupalli	Member

Stakeholders Relationship Committee

S.No	Name of Member	Position
1	Mr. Pradeep Kumar Narsupalli	Chairman
2	Mr. Srinivas Pannala	Member
3	Mrs. Sujatha Jonnavittula	Member

Corporate Social Responsibility (CSR) Committee

S.No	Name of Member	Position
1	Mr. Jonnavittula Murali Krishna	Chairman
2	*Mr. D Ramesh Sinha	Member
3	*Mr. Raghavacharya Vasudevan	Member
4	Mrs. Sujatha Jonnavittula	Member

**The Corporate Social Responsibility (CSR) Committee of the Board was reconstituted on November 14, 2024, following the resignation of Mr. D. Ramesh Sinha (Independent Director), by appointing Mr. Raghavacharya Vasudevan (Independent Director) as a member of the Committee.*

Further details with respect to the aforesaid Committees are provided in the Corporate Governance Report attached herewith.

27. Auditors:

M/S PARY & Co., Chartered Accountants, Hyderabad were appointed as statutory auditors of the Company for a further period of Five year i.e., till the conclusion of 30th Annual General Meeting of the Company.

Explanation to Auditors Observation:

Observation:

1. There were no undisputed amounts payable in respect of GST, Provident Fund and Employee State Insurance in arrears as at 31.03.2025 for a period of more than six months from the date they became payable except Income tax of Rs. 34.59 lakhs on account of TDS mismatch and TDS of Rs. 77.56 lakhs for the current year aggregating to Rs. 112.10 lakhs is payable as on date of Audit Report.
2. As per the information and explanation given to us the Company is liable for overdue interest on delayed loan repayment of AXIS bank and pending quantification of the liability by the bank and on account payment of Rs. 0.30 Crores was as on 31st March 2025.
3. Unpaid Dividend of Rs.6,40,472/- pertaining to 2016-17 was required to be transferred to the Investor Education and Protection Fund by the Company.

Managements Reply:

1. The TDS Liability for the year is being paid. As regards of income tax of earlier years, the company is in the process of reconciliation of TDS receivables from customers year-wise. Based on the outcome, appropriate action will be taken.
2. The company has availed the said loan for execution of Abhayam Project, which was delayed due to Covid Pandemic. Company

has requested the bank to finalize balance amount payable to close the account which is pending till date. However, the company has made on account payment of Rs.0.30 crores as on 31.03.2025. Further, the company has paid an amount of Rs.0.33 crores in June 2025 aggregating to Rs. 0.63 Crores.

3. The management assures to transfer the Unclaimed Dividend pertaining to FY 2016-17 to Investor Education and Protection Fund shortly.

28. Secretarial Auditors report:

The Secretarial Audit Report issued by M/s. VCSR & Associates, Practicing Company Secretaries, Hyderabad for 2024-25 is annexed as Annexure- IV to this Report. The Secretarial Auditor's Report to the Members does not contain any qualification or reservation which has any material adverse effect on the functioning of the Company. Further, pursuant to the provisions of Regulation 24A & other applicable provisions of the SEBI Listing Regulations read with Section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors at their respective meetings held on May 30, 2025 have approved & recommended for approval of Members, appointment of M/s. VCSR & Associates, Practicing Company Secretaries (Firm Regn. No.: P2014AP034200) as Secretarial Auditor for a term of up to 5(Five) consecutive years, to hold office from April 01, 2025 till March 31, 2030. A detailed proposal for appointment of Secretarial auditor forms part of the Notice convening this AGM.

Auditors' qualifications:

The company has not transferred the Unclaimed Dividend pertaining to FY 2016-17 to Investor Education and Protection Fund.

Management Comments on the above qualification:

The management assures to transfer the Unclaimed Dividend pertaining to FY 2016-17 to Investor Education and Protection Fund shortly.

29. Vigil Mechanism / Whistle Blower Policy

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy.

The Company has adopted a Whistle Blower Policy establishing a formal vigil mechanism for the Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics.

It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All employees of the Company are covered under the Whistle Blower Policy. The brief detail about this mechanism may be accessed on the Company's website at the weblink: www.vedvaag.com.

30. Internal Auditors

The Board of Directors of the Company has appointed M/s Naga Chaitanya and Associates, Chartered Accountants as Internal Auditors to conduct Internal Audit of the Company for the Financial Year 2025-26.

31. Maintenance of cost records specified by the Central Government under Section 148 of the Companies Act, 2013

The provisions relating to maintenance of Cost Records as specified by the Central Government under Section 148 of the Companies Act, 2013 is not applicable to the Company

32. Corporate Social Responsibility (CSR):

The brief outline of the CSR policy of the Company and the CSR activities taken up by the Company during the year is appended to this report as Annexure-3 in the format prescribed in the Companies (Corporate Social Responsibility Policy), 2014. The Constitution of CSR Committee forms integral part of the report. The detailed CSR policy is available on the website of the Company.

33. Conservation of Energy, research and Development, Technology Absorption, Foreign exchange Earnings and Outgo:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

1. **Conservation of Energy:** The operations of the company involve low energy consumption; adequate measures have been taken to conserve energy.
2. **Technology Absorption:** Since Business and technologies are changing constantly, investment in Research and development

activities are of paramount importance. Your Company continues its focus on quality up gradation of product and service development.

3. Foreign Exchange:

Foreign Exchange earnings for the year ended March 31, 2025: Rs. 1,99,69,120/-

Foreign Exchange Outgo for the year ended March 31, 2025: Rs. 5,42,220/-

34. Particulars of Loans, Guarantees and Investments under Section 186:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of notes to the financial statements provided in this Annual Report.

35. Particulars of Contracts or Arrangements with Related Parties:

During the year on review, the Board confirms that:

- a) The Company didn't enter into any contracts or arrangements or transactions that are not at arms lengths with the related parties during the financial year 2024-25.
- b) The Vigil Mechanism as envisaged in the Companies Act, 2013, the rules prescribed thereunder and the SEBI (LODR) Regulations, 2015 is implemented through the Company's Whistle Blower Policy.

Therefore, as prescribed under Section 134(3) of the Companies Act 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 the disclosures under Form AOC-2 are not applicable for the Company for the year ended March 31, 2025.

36. Extract of Annual Return:

In accordance with Section 134 (3) (a) of the Companies Act, 2013, the Annual return in the prescribed format is available on the website of the Company www.vedavaag.com.

37. Particulars of Employees:

The information required under Section 197 of the Companies Act 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure-2 to the Board Report.

38. Particulars Relating to the sexual harassment of women at workplace (Prevention, Prohibition and redressal) Act 2013

Your company has always provided a safe, harassment free workplace for every individual through its various policies and practices. The company always endeavours to create and provide an environment that is free from discrimination and

harassment. The Company has not received any complaints during the year. The Company regularly conducts awareness programme for its employees.

Summary of Sexual harassment complaints received and disposed of during the year:

S.No	Particulars	Status
1	No. of complaints filed during the year	Nil
2	No. of complaints disposed of during the year	NA
3	No. of complaints pending as on end of the financial year	NA

39. Details of material subsidiary and date of appointment of Statutory Auditor of such subsidiary

VSL Datasystems Private Limited is material subsidiary of the Company, it is incorporated on January 05, 2001 and M/s P Murali & Co., Chartered Accountants, Hyderabad was re-appointed as Statutory Auditor of the Company for a term of 5 years i.e., from April 01, 2022 to March 31, 2027.

40. Corporate Governance

Your Company is committed to implement the sound corporate governance practices with a view to bring transparency and in its operations and maximize shareholders value.

The Report on Corporate Governance as stipulated under Regulation 34 read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 forms part of the Annual Report as Annexure-6.

41. The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There have been no significant material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

During the year under review, no application was made or any proceedings pending against the

Company under the Insolvency and Bankruptcy Code, 2016.

42. Material changes and commitments

There are no material changes and commitments affecting the financial position of the Company which occurred between the Financial Year ended March 31, 2025 to which the Financial Statements relates and the date of signing of this report.

43. Prevention of Insider Trading Code

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended from time to time.

44. Compliance with Secretarial Standards

The Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under Section 118(10) of the Companies Act, 2013.

45. MD and CFO certification:

As required under the listing regulations, the Managing Director and the Chief Financial Officer Certification is attached to this Report.

46. Acknowledgements:

The Directors thank the Company's Bankers, Employees, Customers, Vendors, CSPs and Investors for their continuous support.

Your directors wish to place on record their deep sense of appreciation for the committed services of the associates of the company at all levels.

For and on Behalf of the Board of Directors

Sd/- J. Murali Krishna Managing Director DIN: 00016054	Sd/- J. Sujatha Director DIN: 07014640
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Place: Hyderabad
Date : 30-08-2025

ANNEXURES TO DIRECTORS' REPORT

ANNEXURE - 1

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries

Rs. In lakhs

Sl. No.	Name of Subsidiary	Date of acquisition/ incorporation	Share capital	Re-serves and Surplus	Total Assets	Total Li-abilities (excluding share capital, reserves and surplus)	Invest-ments	Turn-over	Profit before tax	Provi-sion for tax	Profit after tax	% Of share holding
1	VSL Data Systems Private Limited	22nd January, 2017	1800.00	1187.46	5400.66	2413.20	0.00	3293.85	226.10	61.08	165.02	100%
2	Vedavaag Edutech Private Limited	16th June, 2010	1.00	13.63	457.97	443.34	0.00	18.94	1.88	0.56	1.32	100%
3	Vedavag Common Service Centres Private Limited	26th October, 2007	1.00	69.65	382.67	312.02	0.00	15.56	0.19	0.03	0.16	100%
4	Vedavaag Financial Services Private Limited	19th April, 2021	1.00	0.96	5.84	3.88	0.00	0.31	0.04	0.01	0.03	100%
**5	Vedavaag Kiya Ecommerce Private Limited	29th October, 2021	1.00	0.00	2.47	2.47	0.00	0.00	0.00	0.00	0.00	51%

** Vedavaag Kiya Ecommerce Private Limited initiated its closure process, which has since been completed. An official confirmation of the closure was received on March 05, 2025.

| ANNEXURE - 2

PARTICULARS OF EMPLOYEES

The information is required under Section 197 of the Act read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below.

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial Year.

Executive Director	Ratio to median remuneration
Mr. J. Murali Krishna, Executive Director	15.49

- ii) The percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the Financial Year:

MD: 50%

CFO & CS: 5%

- iii) The percentage increase in median remuneration of employees in the financial year:

- iv) There are 205 employees on the rolls of the Company as on 31st March 2025.

- v) Average percentile increases 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;

The average percentile increases already made in the salaries of employees is 8%.

There were no exceptional circumstances for increase in the managerial remuneration. The company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the company.

- vi) The Company affirms that the remuneration is as per the remuneration policy of the Company.

ANNEXURE - 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

At Vedavaag Systems Limited, our guiding principle is “Grow and Let Grow”. Corporate Social Responsibility (CSR) is not merely a compliance requirement but an integral part of our business philosophy.

We have developed our own sustainability-driven CSR model that aligns with our core values. Our initiatives focus on creating lasting social impact and fostering inclusive development in the communities we serve.

Our leadership team remains deeply committed to CSR, consistently encouraging and empowering employees to actively participate in planning and executing CSR programs. This culture of sensitivity and support ensures that CSR remains embedded in every aspect of our business journey.

1. Brief outline of CSR Policy of the company:

The Company under its CSR policy, affirms its commitment of seamless integration of marketplace, workplace, environment and community concerns with business operations by undertaking following activities / initiatives that are not taken in its normal course of business and/or confined to only the employees and their relatives and which are in line with the broad-based list of activities that are set out under schedule VII of the Companies Act 2013 and Rules.

- To Organise or help organize through business association/ social worker/ educational institution, health camps/ awareness, literacy or education programmes / sponsorships or such other awareness/initiative in the locality, villages etc that are deprived of such facilities.
- To take measures for optimum utilization of resources, pollution control and adopting cleaner environment/ environment friendly technologies and spread awareness of the same amongst employees and others.
- To create fund over a period for the purpose of helping or giving grants or donation either directly or through agency to the underprivileged or to those distressed in the event of natural calamity or major mishaps.
- To undertake such initiatives/ projects or participate in any events as the CSR Committee / Board may consider appropriate.
- To contribute to the funds set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

During the financial year, the Company focused its CSR efforts primarily in the area of **animal welfare**, recognising the vital role animals play in ecological balance and fostering compassion in society. In particular, the Company made significant contributions towards **Gomatha Seva**, supporting initiatives for the care, feeding, and shelter of cows. These efforts align with our belief in preserving traditional values while promoting ethical treatment of animals.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1)	Mr. Jonnavittula Murali Krishna	Chairman/Managing Director	2 Meetings 30-05-2024 and 14-11-2024	2
2)	*Mr. D Ramesh Sinha	Member/Independent Director		2
3)	Mrs. Jonnavittula Sujatha	Member/Non-Independent Director		2

**The Corporate Social Responsibility (CSR) Committee of the Board was reconstituted on November 14, 2024, following the resignation of Mr. D. Ramesh Sinha (Independent Director), by appointing Mr. Raghavacharya Vasudevan (Independent Director) as a member of the Committee.*

3. 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: <http://vedavaag.com/>
4. Provide 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 (attach the report): **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, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1)	2024-25	12,38,447/-	12,38,447/-
2)	2023-24	9,04,865/-	9,04,865/-
3)	2022-23	5,90,524/-	5,90,524/-

6. Average net profit of the company as per section 135 (5):

Financial Year	Amount in ₹
2021-22	9,58,44,849
2022-23	9,24,94,434
2023-24	8,11,12,868
Total	26,94,52,151
Average	8,98,17,384

7. (a) Two percent of the average net profit of the Company as per Section 135(5): Rs. 17,96,348/-
 (b) Surplus arising out of CSR projects or programmes or activities of the previous financial years: Nil
 (c) Amount to be set-off for the financial Year: Rs. 12,38,447/-
 (d) Previous year's unspent amount: Nil
 (e) Total CSR obligation for the Financial Year (a + b - c): Rs. 5,57,901/-
8. a) CSR amount spent or unspent for the Financial Year

Total amount spent for the FY	Total Amount transferred to unspent CSR account as per 135(6)	Amount Transferred to any fund specified under schedule VII as per second provision of section 135(5)
₹ 26,00,000/-	Nil	Nil

- b) Details of CSR amount spent on the ongoing project for the financial year : Nil
- c) Details of CSR amount spent against other than ongoing project for the financial year :

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation – Direct Yes/No	Mode of implementation – through implementing agency	
				State	District			Name	CSR Reg no.
1)	Gomatha Seva	Animal Welfare	Yes	Andhra Pradesh,	Krishna District	26,00,000	No	Sri Kamakshi Ekamreswar Gomatha Sevaka Satsang Trust	CSR00000547

- d) Amount spent in administrative overheads : Nil
- e) Amount spent on Impact Assessment, if applicable : Nil
- f) Total amount spent for the financial year : ₹ 26,00,000/-
- g) Excess amount for set off, if any:

Sl.No.	Particulars	Amount (Rs.)
i)	Two percent of average net profit of the company as per section 135(5)	₹ 17,96,348/-
ii)	Total amount spent for the Financial Year	₹ 26,00,000/-
iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 8,03,652/-
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 8,03,652/-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil
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: **NA**
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): **NA**

For **Vedavaag Systems Limited**

Sd/-

J. Murali Krishna
Managing Director
DIN: 00016054

Place: Hyderabad
Date: 30-08-2025

ANNEXURE - 4

MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2025

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

To
The Members,
M/s. VEDAVAAG SYSTEMS LIMITED,
(CIN: L72200TG1998PLC029240)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. VEDAVAAG SYSTEMS LIMITED (CIN: L72200TG1998PLC029240)**, (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **M/S VEDAVAAG SYSTEMS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31/03/2025 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 M/s. VEDAVAAG SYSTEMS LIMITED ("the Company") for the financial year ended on 31.03.2025 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Exchange Management Act, 1999 and the rules and regulations made there under;
- v. The following Regulations and Guidelines 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;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable to the company during the audit period.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable to the company during the audit period.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable to the company during the audit period.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable to the company during the audit period ;and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi. Other Laws applicable to the Company

Other Laws applicable specifically to the Company namely:

1. Information Technology Act, 2005 and the Rules made there under,
2. Software Technology Parks of India Rules made there under,
3. The Trade Marks Act, 1999.

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India
- II. The Listing Agreements entered into by the Company with Bombay Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to the following observation(s):

1. The company has not transferred the Unclaimed Dividend pertaining to FY 2016-17 to Investor Education and Protection Fund.

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors.

During the period under review Mr. Ramesh Singh Duggi has tendered his resignation as Independent Director of the company w.e.f. 14.11.2024 and Mr. Raghavacharya Vasudevan was appointed as Additional Director in Independent Category on 30.08.2024 and was further regularized as Independent Director in the Annual General Meeting of the Company held on 30.09.2024.

- b) 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.
- c) Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.

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

We further report that during the audit period there were no specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For VCSR & Associates
Company Secretaries

Sd/-
(Ch. Veeranjanyulu)
Partner
M No.6121, CP No. 6392
Peer Review Cer. No. 6686/2025

Place: Hyderabad
Date: 30-08-2025

UDIN: F006121G001120861

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,
The Members,
M/s. VEDAVAAG SYSTEMS LIMITED,

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on their 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 the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for our opinion.
3. The correctness and appropriateness of the financial records and Books of accounts of the company have not been verified.
4. Wherever required, we have obtained the Management representation about the compliances of laws, Rules, Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination is limited to verification of procedure on random test basis.
6. The Secretarial Audit is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For VCSR & Associates
Company Secretaries

Sd/-
(Ch. Veeranjanyulu)
Partner
M No.6121, CP No. 6392
Peer Review Cer. No. 6686/2025

Place: Hyderabad
Date: 30-08-2025

UDIN: F006121G001120861

MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

To
The Members,
M/s. VSL Datasystems Private Limited,
Hyderabad.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions of the Acts, Rules and Regulations as mentioned below and the adherence to good corporate practices by M/s. VSL Datasystems Private Limited (herein called 'the Company') Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of 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 secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 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 M/s. VSL Datasystems Private Limited ('the Company') for the financial year ended on March 31, 2024 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder as applicable;
- II. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- V. Employees Provident Fund and Miscellaneous Provisions Act, 1952.
- VI. Employees State Insurance Act, 1948.
- VII. Income Tax Act, 1961 and Indirect Tax Laws.
- VIII. Indian Contract Act, 1872.
- IX. Indian Stamp Act, 1999.
- X. Payment of Bonus Act, 1965.
- XI. Payment of Gratuity Act, 1972.

➤ Other Laws applicable to the Company

Other Laws applicable specifically to the Company namely:

1. Information Technology Act, 2005 and the Rules made there under,
2. Software Technology Parks of India Rules made there under,
3. The Trade Marks Act, 1999.

We have also examined the Secretarial Standards issued by The Institute of Company Secretaries of India.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. subject to the following:

The Company is falling under the purview of Section 203(1) of the Companies Act, 2013, and is thus required to appoint a whole-time Key Managerial Personnel (KMP) including (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director; and (ii) Chief Financial Officer. However, during the audit period, the Company has not appointed any person in the aforesaid whole-time KMP positions, which is a non-compliance with the provisions

of Section 203(1) of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors subject to non-compliance with the provisions of Section 203(1) of the Companies Act, 2013 as stated above. During the audit period, Mr. Krishna Kumar Kanuparti (DIN: 09023165) was appointed as an Additional Director in Independent Director category w.e.f 20/03/2025.

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

Majority decisions are carried through and as informed by the Company, there were no dissenting views of members of the Board at any Board / Committee meeting held during the financial year.

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

We further report that during the period under audit, there were no specific events/actions, having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above.

For VCSR & Associates
Company Secretaries

Sd/-
(Ch. Veeranjanyulu)
Partner
M.No.6121, CP No. 6392
Peer Review Cer. No:6686/2025

Place: Hyderabad
Date: 30-08-2025

UDIN: F006121G001121213

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

Annexure

To
The Members,
M/s. VSL Datasystems Private Limited,
Hyderabad.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, were followed to 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.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
- 7.

For VCSR & Associates
Company Secretaries

Sd/-
(Ch. Veeranjanyulu)
Partner
M.No.6121, CP No. 6392
Peer Review Cer. No:6686/2025

Place: Hyderabad
Date: 30-08-2025

UDIN: F006121G001121213

ANNEXURE - 5

MANAGEMENT DISCUSSION & ANALYSIS

1) Economic & Industry Overview

India's growth continued to be underpinned by digital public infrastructure, resilient domestic demand, and public capex. For Vedavaag, three policy-aligned arenas remain structurally attractive:

- (i) **Financial Inclusion** via Business Correspondent (BC) networks.
- (ii) **Edutech** focused on learning outcomes and access.
- (iii) **System Integration** –IoT and other emerging technology projects.

2) Company Overview

Vedavaag operates an execution-first model at the last mile—combining field presence with assisted digital journeys and disciplined governance. Our portfolio delivers essential services with measurable social impact and predictable operating rhythms.

- **Financial Inclusion (FI):** Last-mile banking and protection/pension onboarding through the BC channel.
- **Edutech:** Remote Teacher services for schools, hybrid community Tuition Points, and outcome-oriented Smart Test for JEE/NEET.

3) FY 2024–25 Performance Snapshot

- **Revenue:** ₹ 72.64 crores | **EBITDA:** ₹ 12.10 crores | **EBITDA Margin:** 17 %
- **PAT:** ₹ 6.74 crores | **EPS:** ₹ 2.91/-
- **Dividend (proposed):** ₹ 0.50/- per share, face value of ₹ 10/- each

Key Operating Highlights

- Strengthened FI playbooks: higher active points, improved per-point throughput, and tighter grievance SLAs.
- Consolidated Edutech delivery: standardised lesson plans, micro-tests, and parent dashboards; expanded footprint with prudent unit-economics.

4) Segment Review

A) Financial Inclusion

“Economic growth cannot only be restricted to a few cities and a few citizens. Development has to be all-round and all-inclusive.”

– PM Narendra Modi

Business Correspondent role is created to fulfill the void of accessibility of Banking and other financial services to the common man across the country.

Reserve Bank of India (RBI) has been publishing a Financial Inclusion Index (FI Index) since 2021 and that is based on three main parameters, Access, Usage and Quality apart from some other parameters. The FI Index climbed from 53.9 in March 2021 to 67.0 by March 2025, a huge jump – that is **24.3 per cent OVER 2021**, which highlights the continuous dedication of government to include every citizen in the growing digital financial infrastructure of the country, and it also implicitly highlights the importance of BC role.

Briefly the three parameters of FI Index are explained as follows:

Access (35% weight): Focuses on the availability and accessibility of financial services, including basic banking, insurance, and other financial products.

Usage (45% weight): Measures the extent to which people are using these available services.

Quality (20% weight): A unique parameter that captures the quality of the financial services, including aspects like financial literacy, consumer protection, and addressing disparities or deficiencies in services.

BCs are playing a significant role in furthering govt schemes such as PMJDY, PMSBY, PMJBY and APY to the hinter lands of India.

The reach and performance of some of these schemes is enumerated below to appreciate massive FI operations that are underway across India,

Pradhan Mantri Jan Dhan Yojana (PMJDY) HAS over 55.98 crore beneficiaries (as on 4 August 2025) **Pradhan Mantri Suraksha Bima Yojana (PMSBY) Scheme as of March 19, 2025**, has achieved a **cumulative enrolment of 50.54 crore individuals**. The scheme provides one year cover for accidental death and disability cover for death or disability on account of an accident with a premium of ₹20/- annually, which is renewed annually. On death, the nominee receives ₹2 lakhs.

Pradhan Mantri Jeevan Bima Yojana is an insurance scheme which offers life insurance cover for death due to any reason providing affordable insurance to **broader population including poor and rural population**. With the premium of ₹436/- annually per subscriber, the scheme offers the life cover of ₹2 lakhs. In the past ten years, over 23 crore Indians have been covered, and more than 9 lakh families have received timely financial support after the loss of a loved one.

Atal Pension Yojana, monthly pension is provided to the people so that they can continue living a dignified life in old age. The scheme aimed at workers in the **unorganized sector**, who often lack formal pension coverage. To join the scheme, the age should be between 18 and 40 years and a savings bank account is required. Under the APY, guaranteed minimum pension of ₹1,000/- or 2,000/- or 3,000/- or 4,000 or 5,000/- per month will be given at the age of 60 years depending on the contributions by the subscribers. As of **April 2025**, APY has accumulated over **7.65 crore subscribers**, mobilized a total **corpus of ₹45,974.67 crore**, and recorded increasing participation from women, who now comprise about **48%** of all subscribers.

Context & Opportunity: The BC model continues to bridge gaps in access, usage, and quality of financial services at the last mile. Government-backed protection and pension schemes provide strong cross-sell anchors through the BC network.

Execution in FY 24–25:

- Expanded **active transacting points** in select under-penetrated districts.
- Deployed analytics-led **micro-campaigns** to lift transactions per point.
- Tightened **e-KYC hygiene**, AML controls, and **grievance TAT** through SOPs and joint monitoring with partner banks/insurers.

Priorities for FY 25–26:

1. Raise **transactions/point/month** and conversion to PMSBY/PMJDY/APY;
2. Increase **agent productivity** via targeted training and local literacy drives;
3. Scale **maker-checker** and audit coverage to reduce operational risk.

Key Risks & Mitigation: Cash handling and fraud (controls, audits); agent churn (incentives, training); rural liquidity cycles (cash-van routing and monitoring).

B) Edutech

Vedavaag Edutech has focus on two services:

1. Smart Teacher services that facilitate teachers to teach less schools to provide quality education to the students
2. Smart Tuition Services that facilitate online tuition services on hybrid model at village level to enhance student preparedness for his curriculum courses and spoken English courses
3. Smart test Services that facilitate continuous testing for JEE / NEET aspirants who wish to improve their knowledge, speed and enhance their competitiveness.

Following are some of the indicators that help in assessing the opportunity in this space.

As per Time of India December 13, 2024, India's education system faces a critical teacher shortage despite having over 11 crore educators, with over one million vacancies, especially in rural areas. The Key issues include low pay, job insecurity, inefficient recruitment, and underqualified teachers.

This sums up the opportunity of Remote Teacher Services and online Tuition Points the focus areas of Vedavaag Edutech.

During the year the company consolidated its learning in online delivery of education services by opening over 25 tuition centers and rendering remote teacher services for a dozen schools spread across India.

The company desires to enhance this to over 100 tuition points and 25 schools in the current year. However, the income expected from these services will be limited as economies of scale demand much larger expansion.

Following are some of the key data points relevant for this business:

Year-Wise JEE Main Appearance Data

S#	Year	Students Appearance (Approx.)
1	2024	12,25,529
2	2023	11,13,325
3	2022	9,05,590

Here is the year-wise breakdown of NEET appeared candidates:

S#	Year	Students Appearance (Approx.)
1	2024	23,33,000
2	2023	20,38,000
3	2022	17,64,000

Context & Opportunity: Persistent teacher shortages and uneven learning outcomes create demand for **Remote Teacher** support and **hybrid Tuition Points** near communities, with transparent progress tracking for parents.

Offerings:

- **Smart Teacher (Schools):** Scheduled remote classes, centralised content, and monitoring.
- **Smart Tuition (Community):** Hybrid centres with attendance discipline, weekly micro-tests, and spoken-English add-ons.
- **Smart Test (JEE/NEET):** Question banks, speed-drills, analytics, and rank-improvement plans.

Execution in FY 24–25:

- Standardised delivery playbooks and **centre manager KPIs** (attendance, test velocity, average score lift, retention).
- Consolidated a multi-location footprint; emphasised utilisation before expansion.
- Built a **teacher pipeline** through partnerships and internal training.

Priorities for FY 25–26:

- Prudent expansion toward **centre density** and **school count** targets;
- Stronger **parent dashboards** and counselling to improve conversion and retention;
- Continuous content refresh and teacher upskilling.

Key Risks & Mitigation: Seasonality and conversions (staggered intakes, counsellor closures); teacher availability (training academy); affordability (tiered pricing, scholarships).

5) Financial Performance Discussion

- **Revenue Growth:** Driven by FI throughput and Edutech contributions grew with footprint but remain modest pending scale economies.
- **Margins:** Supported by mix (AMC/IoT layers, FI cross-sell), offset by training and content costs in Edutech.
- **Capex:** Focused on continuity and technology that improves unit economics (e.g., telemetry, content platforms).
- **Liquidity:** Adequate headroom; conservative leverage maintained.

6) Key Performance Indicators (Monitored Internally)

- **Financial Inclusion:** Active BC points; transactions/point/month; PMSBY/PMJBY/APY conversions per 1,000 accounts; grievance TAT; audit exceptions/1,000 transactions.
- **Edutech:** Enrolments/centre; attendance %; monthly test velocity; average score lift; retention %; teacher utilisation.

7) Risks & Concerns

- **Operational:** Field variability, agent/teacher churn, and SOP adherence—addressed via training, audits, and data-driven coaching.
- **Regulatory/Compliance:** KYC/AML norms, education standards, public tender requirements—managed through compliance checklists and periodic reviews.
- **Financial:** Receivable cycles and input-cost volatility—mitigated via milestone terms, diversified vendors, and pricing discipline.
- **Technology & Data:** Cybersecurity and data privacy—covered by access controls, logging, and periodic security audits.

8) Internal Control Systems & Adequacy

Vedavaag maintains a layered control environment—policy manuals, maker–checker, field audits, MIS analytics, and external/internal audits. During the year, we strengthened cash-handling SOPs, digitised grievance tracking, and expanded audit coverage for centres and projects. Management believes internal controls are adequate and operating effectively for the size and complexity of operations.

9) Human Resources

People remain central to execution quality. We invested in structured onboarding, refresher trainings, and performance recognition for agents, teachers, and project teams. Emphasis remains on safety, inclusion, and measured career pathways to reduce churn.

10) Outlook (FY 2025–26)

We will:

1. **Anchor stability in FI** by scaling productive points, raising cross-sell, and deepening customer protection;
2. **Scale Edutech thoughtfully** towards density and demonstrable outcome lifts, recognising profitability follows utilisation;
3. **Invest in backbone capabilities**—training, telemetry, data and dashboards—to reduce variability and lift margins.

11) Cautionary Statement

Statements in this MD&A describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable laws and regulations. Actual results could differ materially due to risks and uncertainties including, but not limited to, regulatory changes, market conditions, input-cost variations, field execution challenges, and other factors.

Ratio Analysis:

Ratio	Numerator	Denominator	Current Period	Previous period	% variance	Reasons for variance
Current ratio	Current assets	Current liabilities	10.10	6.48	56%	Decrease in current liabilities resulted in variance
Debt – equity ratio	Total Debt	Shareholders' equity	0.10	0.06	64%	Increase in the ratio is on account of increase in the long-term liabilities during the year.
Debt Service Coverage ratio	Earnings available for debt service	Debt service	5.248	1.876	122%	Increase in sources and decrease in application resulted in improvement in ratio.
Return on Equity (ROE)	Net profit after taxes	Shareholders' equity	4.98%	4.96%	0%	
Inventory Turnover ratio	Sales	Closing Inventory	96.64	32.09	201%	Increase in turnover and decrease in Inventory resulted in variance
Trade Receivable Turnover ratio	Sales	Closing trade receivables	5.903	3.765	57%	Increase in turnover and decrease in Receivables resulted in variance
Trade Payables Turnover ratio	Credit purchases	Closing trade payables	-	-	0%	
Net Capital turnover ratio	Sales	Working capital	0.77	0.79	-3%	
Net profit ratio	Profit after tax	Total income	9.29%	9.80%	-5%	
Return on Capital employed	Earnings before interest and taxes	Capital employed	0.07	0.06	7%	
Return on investment	Realised gain on investment	Investment value	-	-	-	

Reason for variance is given for ratios having % change more than 25%.

| ANNEXURE - 6

CORPORATE GOVERNANCE REPORT

Company's philosophy on code of governance:

Vedavaag Systems Limited ("VSL"/ "the Company") implemented sound corporate governance practices with a view to ensure transparency and efficiency in its day-to-day operations, it's a stakeholder driven organization and ensuring maximize shareholder value. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Transparent business practices.
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of Promoter, Executive and Independent Directors on the Board.

The Corporate Governance framework of your Company is based on an effective and independent Board, separation of the Board's supervisory role from the Senior Management team and constitution of the Board Committees, as required under applicable laws.

Your Company is in compliance with the Corporate Governance requirements as enshrined in the Companies Act, 2013 read with the Rules made thereunder ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable laws.

The Company is conscious of the fact that the success of an organization is reflection of its professionalism to its code of conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

Your Company presents this report, prepared in terms of the SEBI Listing Regulations (including the amendments to the extent applicable), enumerating the current Corporate Governance systems and processes at the Company.

Board of Directors:

- i) The Board of Directors along with its committees provide leadership and guidance to the Company's management and supervises the Company's performance. Your Company has an optimum mix of Executive and Non-Executive Directors in line with the applicable provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As at March 31, 2025, the Company has Six Directors of which One is Managing Director, Two Directors are Non-Executive Non-Independent Directors (Promoter group) and Three Directors are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- ii) The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/ disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management.
- iii) The Directors on the Board are professionals, having expertise in their respective functional areas and bring an extensive range of skills and experience to the Board. The Board has complete access to any information within the Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson.
- iv) **a) The Composition and category of the Board of Directors is as follows;**

The Board of the Company comprises of Six Directors as on March 31, 2025.

None of the Director is a Director in more than 10 Public Limited Companies (as specified in Section 165 of the Act) and Director in more than 7 Listed Entities (as specified in Regulation 17A of the Listing Regulations) or acts as an Independent Director (including any alternate directorships) in more than 7 Listed Companies or

3 equity Listed Companies in case he/she serves as a Whole-time Director/ Managing Director in any Listed Company (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited Companies in which he/she is a director.

S.No	Name of the Director	Designation	Category
1.	Mr. J. Murali Krishna	Managing Director	Executive Director (Promoter)
2.	Mr. Srinivas Pannala	Independent Director	Non-Executive Director
3.	*Mrs. J. Sujatha	Non-independent Director	Non-Executive Director (Promoter)
4.	**Mr. D. Ramesh Sinha	Independent Director	Non-Executive Director
5.	***Mr. Raghavacharya Vasudevan	Independent Director	Non-Executive Director
6.	Mr. N. Pradeep Kumar	Independent Director	Non-Executive Director
7.	Dr. J Ananth	Non-independent Director	Non-Executive Director (Promoter Group)

* As on date of report, Mrs. J Sujatha is also on the Board of One more Listed Company i.e., I Power Solutions India Limited, Category: Independent Director and also member of Audit Committee and Stakeholders Committee of that Company.

**Mr. D. Ramesh Sinha tendered his resignation from the Board of Directors in the capacity of Independent Director with effect from November 14, 2024.

***Mr. Raghavacharya Vasudevan was appointed as an Independent Director on the Board with effect from August 30, 2024.

None of the Directors except Mr. J Murali Krishna, Dr. J Ananth and Mrs. J Sujatha are related to each other.

b) Attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting:

The details of the attendance of the Directors at the Board Meetings held during the Financial Year ended March 31, 2025 and at the last Annual General Meeting (AGM) are given below:

Name of Director	Number of Board Meetings		Attendance at the last AGM
	Held	Attended	
Mr. J. Murali Krishna	9	9	Yes
Mr. Srinivas Pannala	9	9	Yes
Mrs. J. Sujatha	9	8	No
Mr. D. Ramesh Sinha	7	7	No
Mr. N. Pradeep Kumar	9	9	Yes
Dr. J Ananth	9	2	No
Mr. Raghavacharya Vasudevan	4	4	No

c) Other Directorships:

The number of Directorships and memberships in the Committees of other Companies held by the Directors as on March 31, 2025:

Name of Director	*No. of other Directorships	**In other Public Companies	
		Membership	Chairmanship
**Mr. J. Murali Krishna	4	-	-
***Mr. Srinivas Pannala	1	-	-
****Mrs. J. Sujatha	2	2	-
Mr. N. Pradeep Kumar	-	-	-
Dr. J Ananth	-	-	-
*****Mr. Raghavacharya Vasudevan	2	-	-

- Includes Directorships in Public Companies incorporated under the Companies Act, 1956/2013.

- Includes only memberships/chairmanships of Audit Committee and Stakeholders Relationship Committee of Public Companies. Excludes Private Limited Companies, Foreign Companies, and Companies under Section 8 of the Companies Act, 2013 / Section 25 of the Companies Act, 1956.

Additional Notes on Specific Directors:

- **Mr. J. Murali Krishna** is a Director on the Board of **four (4) wholly owned subsidiary companies** (deemed Public Companies).
- **Mr. Srinivas Pannala** is an Independent Director on the Board of **one wholly owned subsidiary** of the Company: *VSL Datasystems Private Limited* (Deemed Public Company).
- **Mrs. J. Sujatha** is a Director on the Board of **one wholly owned subsidiary** of the Company and also a Director in a Listed Company, namely: *Vedavaag Financial Services Private Limited* (Deemed Public Company).
- **Mr. Raghavacharya Vasudevan** is an Independent Director on the Board of the Company and also serves on the Board of **three Public Companies**:
 - o *Sulakshana Circuits Ltd*
 - o *Fortune Biotech Ltd*

Names of the Listed Companies wherein the Directors of the Company are Directors:

Name of the Director	No. of Directorships in other Listed Companies	Name of the other Listed Companies in which Directors of the Company are Directors
Mr. J. Murali Krishna	-	-
Mr. Srinivas Pannala	-	-
Mrs. J. Sujatha	1	I POWER SOLUTIONS INDIA LIMITED
Mr. N. Pradeep Kumar	-	-
Dr. J Ananth	-	-
Mr. Raghavacharya Vasudevan	-	-

- v) Nine Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on May 30, 2024, June 28, 2024, August 14, 2024, August 17, 2024, August 30, 2024, October 23, 2024, November 14, 2024, February 14, 2025 and March 20, 2025 and the necessary quorum was present for all the meetings.
- vi) During FY 2024-25, one meeting of the Independent Directors was held on February 14, 2025. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, board as a whole, taking into account the views of executive directors and non-executive directors.
- vii) The Board periodically reviewed the compliance reports of all laws applicable to the Company.
- viii) Details of equity shares of the Company held by Director on the Board of Company - Mr. J. Murali Krishna, Managing Director holds 45,98,712 equity shares and Mrs. J. Sujatha, Non-Executive, Non-Independent Director of the Company holds 65,607 Equity shares as on March 31, 2025.

During the year 25,00,000 warrants has been allotted to Mrs. Sujata Jonnavittula – 12,50,000 warrants (Promoter) and Mrs. Annapurna Jonnavittula – 12,50,000 warrants (Promoter Group)
- ix) The details of familiarisation programme are available on the website: <http://vedavaag.com/>
- x) Skills and its description

	Mr. J Murali Krishna	Mr. Srinivas Pannala	Mr. N Pradeep Kumar	Mr. Ramesh Sinha	Mr. J Ananth	Mrs. J Sujatha	Mr. Raghavacharya Vasudevan
Finance and Accounting Experience Experience in handling Financial Management of the organization along with an understanding of accounting and Financial Statements	✓	✓	✓	✓	-	-	✓
Experience of crafting Business Strategies Experience in developing long-term strategies to grow business, consistently, profitability and in a sustainable manner in diverse business environment and changing economic conditions	✓	✓	✓	✓	✓	✓	✓
Experience on understanding of the changing regulatory landscape Experience of having Board accountability, high governance standard with an understanding of changing regulatory framework	✓	✓	✓	✓	✓	✓	✓

- xi) All the Independent Directors of the Company have given their respective declaration/disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfil the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective of independent judgment and without any external influence. Further, the Board after taking these declarations /disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

Committees of the Board

There are Four Statutory Committees as on March 31, 2025; details of which are as follows.

A) Audit Committee

Brief description of terms of reference:

The terms of reference of the Audit Committee are as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report

- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings 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;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- xxi. Examination of the financial statement and the auditors' report thereon;
- xxii. Monitoring the end use of funds raised through public offers and related matters;
- xxiii. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- xxiv. The Audit Committee shall have authority to investigate into any matter or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;
- xxv. The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote;
- xxvi. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- xxvii. Management discussion and analysis of financial condition and results of operations;
- xxviii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- xxix. Management letters / letters of internal control weaknesses issued by the statutory auditors;

xxx. Internal audit reports relating to internal control weaknesses;

xxxi. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and

xxxii. Statement of deviations:

- a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition:

Name of the Director	Category	Position
Mr. Srinivas Pannala	Non-Executive Independent Director	Chairman
*Mr. D Ramesh Sinha	Non-Executive Independent Director	Member
Mrs. J Sujatha	Non-Executive Non-Independent Director	Member
*Mr. Raghavacharya Vasudevan	Non-Executive Independent Director	Member

**The Audit Committee of the Board was reconstituted on November 14, 2024, pursuant to the resignation of Mr. D. Ramesh Sinha (Independent Director), by appointing Mr. Raghavacharya Vasudevan (Independent Director) as a member of the Committee.*

Meetings:

The Audit Committee met Six (6) times for the financial year 2024-25 i.e., on May 30, 2024, August 14, 2024, August 17, 2024, August 30, 2024, November 14, 2024 and February 14, 2025 and not more than One Hundred and Twenty Days has elapsed between any two Audit Committee Meetings. The necessary quorum was present for all the Audit Committee Meetings.

Details of Attendance of the Audit Committee Meetings:

Name of Director	Category	Number of Nomination and Remuneration Committee Meetings	
		Held	Attended
Mr. Srinivas Pannala	Non-Executive Independent Director	6	6
Mr. D Ramesh Sinha	Non-Executive Independent Director	5	5
Mrs. J Sujatha	Non-Executive Non-Independent Director	6	6
Mr. Raghavacharya Vasudevan	Non-Executive Independent Director	1	1

B) Nomination and Remuneration Committee

Brief description of terms of reference:

- Formulation of 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;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. Use the services of an external agencies, if required;
 - b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. Consider the time commitments of the candidates.

- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 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.
- recommend to the board, all remuneration in whatever form, payable to senior management.

Composition:

Name of the Director	Category	Position
Mr. Srinivas Pannala	Non-Executive Independent Director	Chairman
Mr. N Pradeep Kumar	Non-Executive Independent Director	Member
Mrs. J Sujatha	Non-Executive Non-Independent Director	Member

Meetings:

The Nomination and Remuneration Committee met Three (3) times for the financial year 2024-25 i.e., on May 30, 2024, August 30, 2024 and November 14, 2024. The necessary quorum was present for all the Nomination and Remuneration Committee Meetings.

Details of Attendance of the Nomination and Remuneration Committee Meetings:

Name of Director	Category	Number of Stakeholders Relationship Committee Meetings	
		Held	Attended
Mr. Srinivas Pannala	Non-Executive Independent Director	3	3
Mr. N Pradeep Kumar	Non-Executive Independent Director	3	3
Mrs. J Sujatha	Non-Executive Non-Independent Director	3	3

The Criteria for Evaluation of Independent Directors is given below:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its committees as well as performance of the Directors individually. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors. In line with SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2017/004, dated January 5, 2017, the Company has adopted the criteria recommended by the SEBI.

The Directors were given Six Forms for evaluation of the following:

- Evaluation of Board;
- Evaluation of Committees of the Board;
- Evaluation of Independent Directors;
- Evaluation of Chairperson;
- Evaluation of Non-Executive and Non-Independent Directors; and
- Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

1. Outstanding
2. Surpasses Expectations
3. Meets Expectations
4. Needs Improvement
5. Below Expectations

C) Stakeholders Relationship Committee

Terms of Reference

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- ii. Review of measures taken for effective exercise of voting rights by shareholders.
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Composition:

Name of the Director	Category	Position
Mr. N Pradeep Kumar	Non-Executive Independent Director	Chairman
Mr. Srinivas Pannala	Non-Executive Independent Director	Member
Mrs. J Sujatha	Non-Executive Non-Independent Director	Member

Meetings:

The Stakeholders Relationship Committee met Two (2) times for the financial year 2024-25 i.e., on May 30, 2024 and August 14, 2024. The necessary quorum was present for all the Stakeholders Relationship Committee Meetings.

Details of Attendance of the Stakeholders Relationship Committee Meetings:

Name of Director	Category	Number of Stakeholders Relationship Committee Meetings	
		Held	Attended
Mr. N Pradeep Kumar	Non-Executive Independent Director	2	2
Mr. Srinivas Pannala	Non-Executive Independent Director	2	2
Mrs. J Sujatha	Non-Executive Non-Independent Director	2	2

- a. Name and designation of Compliance Officer: Mr. Saiteja Ivaturi Company Secretary and Compliance Officer
- b. E-mail id for Investor Grievances: cs@vedavaag.com

D) Corporate Social Responsibility Committee:

CSR Policy along with its composition and meetings held during the FY 2024-25 is attached as Annexure-3

E) Remuneration of Directors:

- i) There were no pecuniary relationship or transactions with any Non-Executive Director of the Company
- ii) The criteria for making payment to Non-Executive Directors is available on the website of the Company i.e., <https://vedavaag.com/>

iii) **Non-Executive Directors are paid only sitting fees:**

Following are the details of sitting fees paid to the Non-Executive Directors during the Financial Year ended 31st March, 2025:

S. No	Name of Director	Sitting Fees
1.	Mr. Jonnavittula Murali Krishna	-
2.	Mr. Srinivas Pannala	90,000
3.	Mr. Narsupalli Pradeep Kumar	90,000
4.	Mr. Duggi Ramesh Sinha	70,000
5.	Dr. Jonnavittula Ananth	20,000
6.	Mrs. Jonnavittula Sujata	80,000
7.	Mr. Raghavacharya Vasudevan	40,000

F) The Remuneration paid to Managing Director during the Financial Year 2024-25 is as follows:

Name of Director and designation	Salary	Ben-efits	Bonuses	Commis-sion	Performance linked incentives	Total
Mr. Jonnavittula Murali Krishna, Managing Director	36,00,000/-	-	-	-	-	36,00,000/-

G) Annual General Meeting (AGM)

Financial Year	Date	Time	Venue	Special Resolutions passed during last 3 FYs
2023-24	September 30, 2024	11:15 A.M	Surana Auditorium, The Federation of Telangana Chamber of Commerce and Industry, Red Hills (FTCCI), Hyderabad - 500004	1. To Consider and Approve Appointment of Mr. Raghavacharya Vasudevan (DIN: 01798811) as Independent Director of the Company
2022-23	September 29, 2023	10.00 A.M	Surana Auditorium, The Federation of Telangana Chamber of Commerce and Industry, Redhills (FTCCI), Hyderabad - 500004	1. Approval for payment of commission on profits to Non-Executive Directors
2021-22	September 30, 2022	12.00 Noon	Surana Auditorium, The Federation of Telangana Chamber of Commerce and Industry, Redhills (FTCCI), Hyderabad - 500004	1. To consider and approve the re-appointment of Mr. J Murali Krishna (DIN: 00016054) as Managing Director of the Company and increase in remuneration. 2. To re-appoint Mr. Srinivas Pannala, (DIN: 00018295) as Independent Director of the Company 3. Approval for payment of commission on profits to Non-Executive Directors

During the Financial Year 2024-25, one Extra-Ordinary General Meeting of the Company was held on September 13, 2024.

Business transacted at the above Extra-Ordinary General Meeting:

- Increase in the Authorised Share Capital and consequent alteration of the capital clause in the Memorandum of Association of the Company
- To issue convertible warrants on preferential basis to certain identified promoters and non-promoter persons/entities

No Special Resolutions were passed through postal ballots during the Financial Year 2024-25.

H) A certificate has been received from VCSR and Associates, Practising Company Secretary, that none of the directors of the Board of the company has been debarred or disqualified from being appointed or continuing as directors of the company by Securities Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

I) **Means of Communication:** Quarterly results approved by the Board are usually published in Business Standard (English) and Ninadam (Telugu) newspapers. In addition to this, the Company is communicating its results to Bombay Stock Exchange where the shares are listed. Further, the quarterly results are also placed on the company's website, www.vedavaag.com. Investor presentations have been made available on the Stock Exchange of the Company from time to time. The Annual General Meeting is the principal forum for face-to-face communication with shareholders, where the Directors / Senior Management personnel / Auditors / KMP's respond to the specific queries of the shareholders.

J) **General shareholder information**

Day, Date, time and venue of the Annual General Meeting	September 29, 2025 @ 09:30 A.M at Surana Auditorium, The Federation of Telangana Chamber of Commerce and Industry, Red Hills (FTCCI), Hyderabad - 500004
Financial year	April to March
Listing of shares on stock exchanges	BSE Limited (BSE)
Scrip Code	533056
Book Closure	September 24, 2025 to September 29, 2025
Corporate Identification Number (CIN)	L72200TG1998PLC029240
International Securities Identification Number (ISIN) for equity shares of Rs. 10/- each under Depository System	INE359B01010
Registrar and Share Transfer Agents (RTA)	For share related matters, the shareholders are requested to correspond with the RTA of the Company quoting their Folio Number or Client ID and DP ID at the following address. Venture Capital and Corporate Investments Private Limited. Door No. 4-50/P-II/57/4 & 5th Floors, Plot No. 57, Jayabheri Enclave, Phase II, Gachibowli, Seri Lingampally – 500032, Telangana, India.
Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity	No GDRs and ADRs
Address for Correspondence	1-89/G/113 NR, 3rd Floor Park View, Gafoor Nagar, Madhapur, Hi-tech City, Hyderabad – 500081.

K) **Market Price data – high/low (each month) during the FY 2024-25:**

Month	High Price	Low Price	Volume
Apr-24	54.7	47.55	845796
May-24	53.75	46	819197
Jun-24	54.85	45.01	1039251
Jul-24	64.8	51.01	3451564
Aug-24	72.85	56.8	3708206
Sep-24	83.5	64.31	6818025
Oct-24	81	63	1573522
Nov-24	79	65	968177
Dec-24	74.9	64	940634
Jan-25	69	49.13	1311808
Feb-25	68	47.4	1314092
Mar-25	50.85	39	2248388



L) There was no suspension of trading in the Securities of the Company during the year under review

M) Distribution of Shareholding:

Nominal Value	Holders		Amount	
	Number	% To Total	In Rs	% To Total
Upto - 5000	13555	81.7	18470990	8.06
5001 - 10000	1424	8.58	11726840	5.12
10001 - 20000	755	4.55	11811610	5.15
20001 - 30000	274	1.65	7086290	3.09
30001 - 40000	108	0.65	3861620	1.68
40001 - 50000	132	0.8	6288500	2.74
50001 - 100000	178	1.07	13078670	5.7
100001 and above	165	0.99	156925480	68.45
Total	16591	100	229250000	100

Shareholding Details as on March 31, 2025

TYPE	RECORDS	SHARES	%
CDSL	11004	13171537	57.4549051
NSDL	4861	9232048	40.2706565
PHYSICAL	726	521415	2.2744384
Total	16591	22925000	100

N) Other Disclosures

a) Disclosure of related party transactions:

Transactions with related parties are disclosed in the Notes to Accounts in the Financial Statements. All transactions with related parties are at arm's length. All Related Party Transactions are entered into by the Company only after obtaining the prior approval of the Audit Committee and Board of Directors and are entered into on Arm's length basis.

In terms of the Companies Act, 2013 and Securities and Exchange Board of India (LODR) Regulations, 2015 the Company has adopted Related Party transactions policy and the same has been placed on the Company's website at: <https://vedavaag.com/>

During the financial year 2024-25 there were no materially significant related party transactions, which had potential conflict with the interest of the Company at large. The transactions with the related parties are disclosed in the notes to accounts.

b) Compliance(s) of matters relating to Capital Market:

The Company has complied with all applicable rules and regulations prescribed by stock exchange (BSE), Securities and Exchange Board of India (SEBI) or any other statutory authority relating to the capital markets.

c) Whistle Blower Policy/Vigil Mechanism:

The Company has established a whistle blower policy/vigil mechanism to provide an avenue to raise concerns. The mechanism provides, for adequate safeguards against victimization of employees who avails it. The policy also lays down the process to be followed for dealing with complaints.

d) Code of conduct for prevention of insider trading

The Company has adopted a code of conduct for prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading code which is applicable to all directors and designated employees lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company.

e) Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has complied with the mandatory requirements of the Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has from time to time in the best interest of Stakeholders of the Company has adopted discretionary requirements that are non-mandatory in nature.

f) Risk Management

During the year, the risk assessment parameters were reviewed and modified, wherever needed. The audit committee reviewed the element of risks and the steps taken to mitigate the risks. In the opinion of the Board, there are no major elements of risk which have the potential of threatening the existence of the Company.

g) Statutory Auditor Remuneration:

M/s Pary and Co., Chartered Accountants (Firm Registration No. 007288C) have been appointed as the Statutory Auditors of the Company. The fees paid to Statutory Auditors of the Company on consolidated basis during the financial year ended March 31, 2025 is:

Particulars	Amount in (₹)
Statutory Audit fee	3,00,000/-
Tax Audit	25,000/-

h) The Company has complied with the requirements of Schedule V Corporate Governance sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing and Disclosure Requirements) regulations, 2015.

i) Disclosure of commodity risk price risks and commodity hedging activities – Not applicable

j) During the year, the Company has allotted 79, 38,000 convertible warrants at an issue price of ₹63/- each, face value of ₹10/- at a premium of ₹53/- per warrant. The Company allotted 2, 93,700 equity shares upon conversion of warrants on 20.03.2025.

k) A certificate from Company Secretary in practice has been obtained confirming that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority.

Communication to Shareholders:

SEBI Circular on Common and Simplified Norms for Processing Investor's Service Request by RTAs and Norms for furnishing PAN, KYC details and Nomination.

Attention of the Holders of Securities in Physical Mode is invited to Circular No. SEBI/HO/MIRSD/PoD-1/P/CIR/2023/181 dated November 17, 2023 issued by SEBI.

SEBI vide this Circular has mandated the furnishing of PAN, Address with PIN code, Nomination, Contact details, Bank A/c download details and Specimen Signature by holders of physical securities for their Folio Nos.

The Circular also states that:

- RTAs (Registrar and Share Transfer Agents) shall not process any service request or complaint received from the security holder(s) / claimant(s), till PAN, contact details, Bank A/c download details, Specimen signature and Nomination documents/details are received.
- To lodge grievance or avail any service request from the RTA, ONLY AFTER furnishing the complete documents / details as mentioned above.
- For any payment including dividend, interest or redemption payment in respect of such folios ONLY through electronic mode with effect from April 01, 2024.
- The forms required for the above action can be downloaded from <https://www.vccipl.com/>

Please note that above documents should be sent to our
Registrar and Transfer Agents at the below mentioned address:

Venture Capital and Corporate Investments Private Limited

Door No. 4-50/P-II/57/4 & 5th Floors, Plot No. 57, Jayabheri Enclave, Phase II,
Gachibowli, Gachibowli, Hyderabad, Seri Lingampally, Telangana, India, 500032

Email id: investor.relations@vccipl.com

| DECLARATION ON CODE OF CONDUCT

Code of Conduct Declaration pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2025.

For Vedavaag Systems Limited

Place: Hyderabad
Date : 30-08-2025

Sd/-
J. Murali Krishna
Managing Director
DIN: 00016054

| MD and CFO Certification

Compliance certificate by Managing Director (MD) & Chief Financial Officer (CFO) [Pursuant to Regulation 17(8) read with Part B of Schedule II and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Vedavaag Systems Limited

Dear Sir/Madam,

In compliance with Regulation 17 (8) & Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended), it is certified that –

- a) We have reviewed Audited Financial Statements and the Cash Flow Statement of Vedavaag Systems Limited for the Financial Year ended March 31, 2025 and that to the best of our knowledge and belief:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
 - b) There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
 - c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
 - d) We have indicated to the Auditors and the Audit Committee that there are no:
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Thanking you,

For Vedavaag Systems Limited

Place: Hyderabad
Date : 30-08-2025

Sd/-
J. Murali Krishna
Managing Director
DIN: 00016054

Sd/-
T B Krishna Mohan
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

Practicing Company Secretary's Certificate on compliance of conditions of Corporate Governance as per Regulation 34 read with Schedule V of the SEBI (LODR) Regulation, 2015

To
The Members of
M/s. Vedavaag Systems Limited,
Hyderabad.

We have examined the compliances of requirements of Corporate Governance by M/s. Vedavaag Systems Limited, for the year ended on 31st March, 2025 as stipulated under regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI (LODR) Regulation, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management;

We certify that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company/RTA.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and applicable clauses from (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V the SEBI (LODR) Regulation, 2015.

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

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For VCSR & Associates
Company Secretaries

Sd/-
(Ch. Veeranjanyulu)
Partner
CP No. 6392, M No. F6121

Place: Hyderabad
Date : 30-08-2025

UDIN: F006121G001120927

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
M/s. Vedavaag Systems Limited,
(CIN: L72200TG1998PLC029240)

We, M/s. VCSR & Associates, Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. VEDAVAAG SYSTEMS LIMITED** having CIN: L72200TG1998PLC029240 and having registered office at 1-89/G/113 NR, 3rd Floor Park View, Gafoor Nagar, Madhapur, Hyderabad, Shaikpet, Telangana, India, 500081, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No.	Name of the Director	DIN	Designation
1.	Mr. Jonnavittula Murali Krishna	00016054	Managing Director
2.	Mr. Srinivas Pannala	00018295	Independent Director
3.	Mrs. Sujata Jonnavittula	07014640	Director
4.	Mr. Narsupalli Pradeep Kumar	03498381	Independent Director
5.	Mr. Ramesh Singh Duggi	08841202	Independent Director
6.	Mr. Ananth Jonnavittula	09300935	Director

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

For VCSR & Associates
Company Secretaries

Sd/-
Ch Veeranjanyulu
Partner
CP NO. 6392, M No. F6121

Place: Hyderabad
Date : 30-08-2025

UDIN: F006121G001120905

| INDEPENDENT AUDITORS' REPORT

To The Members of Vedavaag Systems Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Vedavaag Systems Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended 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 standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. Unpaid Dividend of Rs.6,40,472/- pertaining to 2016-17 was required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2024 to the Holding Company, and accordingly, we report that the company is having adequate security features for audit trail and passwords are duly protected.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Hyderabad
Date: 30-05-2025

For **P A R Y & CO.,**
Chartered accountants
(Firm's Registration No. 007288C)

Sd/-
Jyothsna Tera
Partner
(Membership No. 259810)
UDIN: 25259810BMKYRM7368

| ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of **Vedavaag Systems Limited** (“the Company”) as of March 31, 2025 in conjunction with our audit of the standalone Ind AS 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company and its joint operations companies incorporated in India (retain as applicable) 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control

with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements established by the respective 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.

Place: Hyderabad
Date: 30-05-2025

For **P A R Y & CO.,**
Chartered accountants
(Firm's Registration No. 007288C)

Sd/-
Jyothsna Tera
Partner
(Membership No. 259810)
UDIN: 25259810BMKYRM7368

| ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress.
(B) The Company has maintained proper records showing full particulars of intangible assets.
The Company has a program of verification of property, plant and equipment and capital work-in-progress so to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us the company is not having any immovable properties, and hence the question of title deeds in the name of the company does not arise.
- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/ alternate procedures performed as applicable, when compared with the books of account.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets of the Company.
- (iii) (a), (b) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) and (iii)(b) of the Order are not applicable.
- (c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) 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) 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) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to us, In respect of statutory dues:
 - (a) There were no undisputed amounts payable in respect of GST, Provident Fund and Employee State Insurance in arrears as at 31.03.2025 for a period of more than six months from the date they became payable except Income tax of Rs. 34.59 lakhs on account of TDS mismatch and TDS of Rs. 77.56 lakhs for the current year aggregating to Rs. 112.10 lakhs is payable as on date of Audit Report.
 - (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)
 - (a) As per the information and explanation given to us the Company is liable for overdue interest on delayed loan repayment of AXIS bank and pending quantification of the liability by the bank and on account payment of Rs. 0.30 Crores was as on 31st March 2025.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
 - (c) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (d) On an overall examination of the financial statements of the Company, funds raised on long-term basis have, prima facie, not been used during the year for short-term purposes by the Company.
 - (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 loans during the year on the pledge of securities held in its subsidiaries.
- (x)
 - (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
 - (b) During the year, the Company has allotted 79, 38,000 convertible warrants at an issue price of ₹63/- each, comprising a face value of ₹10/- and a premium of ₹53/- per warrant. The Company allotted 2, 93,700 equity shares upon conversion of warrants as on 31.03.2025.
- (xi)
 - (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) To the best of our knowledge, 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.
 - (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Sections 177 and 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)
 - (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit reports issued to the Company during the year for certain specified areas and covering the period up to December 2024 and draft audit reports were issued after the balance sheet date covering the period January 2025 to March 2025 for the period under audit.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a,b,c) 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 are not applicable.

- (d) As represented to us by the Management, the Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that 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) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) In respect of ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

Place: Hyderabad
Date: 30-05-2025

For **P A R Y & CO.,**
Chartered accountants
(Firm's Registration No. 007288C)

Sd/-
Jyothsna Tera
Partner
(Membership No. 259810)
UDIN: 25259810BMKYRM7368

BALANCE SHEET (STANDALONE) AS AT 31ST MARCH, 2025

Rs. In lakhs

Particulars	Note	As at 31.03.2025	As at 31.03.2024
I ASSETS			
(1) Non-Current Assets			
(a) Property Plant & Equipment	1	1,667.50	1,164.03
(b) Other Intangible Assets	2	539.01	620.86
(c) Financial Assets			
i. Investments	3	1,804.00	1,804.00
ii. Trade Receivables	4	1,465.68	1,520.78
iii. Other Financial Assets			
(d) Other Non Current Assets	5	305.62	297.83
Total Non Current Assets		5,781.81	5,407.50
(2) Current Assets			
(a) Inventories	6	75.02	191.78
(b) WIP			
(c) Financial Assets			
i. Investments			
ii. Trade Receivables	7	1,228.19	1,634.81
iii. Cash and Cash Equivalents	8	300.15	216.56
iv. Bank Balances Other than iii above	9	164.00	154.00
(d) Other Current Assets	10	8,663.45	6,986.83
Total Current Assets		10,430.81	9,183.98
TOTAL ASSETS		16,212.62	14,591.48
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	11	2,321.87	2,292.50
(b) Other Equity	12	11,238.05	9,893.05
Total Equity		13,559.92	12,185.55
(2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	13	260.41	107.97
ii. Trade Payables			
iii. Other Financial Liabilities			
(b) Deferred Tax Liabilities (Net)	14	251.47	240.96
(c) Other Non Current Liabilities	15	1,108.06	640.48
Total Non Current Liabilities		1,619.94	989.41

(Contd...)

BALANCE SHEET (Contd.)

Rs. In lakhs

Particulars	Note	As at 31.03.2025	As at 31.03.2024
Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	16	-	51.02
ii. Trade Payables	17	118.49	124.82
iii. Other Financial Liabilities			
(b) Other Current Liabilities	18	891.48	1,278.75
(c) Current Tax Liabilities	19	22.79	(38.07)
Total Current Liabilities		1,032.75	1,416.52
Total Liabilities		2,652.69	2,405.93
TOTAL EQUITY AND LIABILITIES		16,212.62	14,591.48

Significant Accounting Policies

The accompanying notes 1 to 37 are an integral part of the financial statements

For PARY & CO

Chartered Accountants
(Firm's Registration No.007288C)

Sd/-
(Jyothsna Tera)
Partner
M.No.259810

Place: Hyderabad
Date : 30/05/2025
UDIN No. 25259810BMKYRM7368

For & on behalf of the Board of Directors

Sd/-
J Murali Krishna
Managing Director
DIN: 00016054

Sd/-
T B Krishna Mohan
CFO

Sd/-
J Sujatha
Director
DIN: 07014640

Sd/-
Ivaturi Saiteja
Company Secretary

PROFIT & LOSS ACCOUNT (STANDALONE) FOR THE YEAR ENDED 31ST MARCH 2025

Rs. In lakhs

	Particulars	Note	for the year ended 31 Mar 2025	for the year ended 31 Mar 2024
1	INCOME			
	a) Revenue from Operations	20	7,250.06	6,154.88
	b) Other Income	21	14.32	8.34
	Total Income		7,264.38	6,163.22
2	EXPENSES			
	a) Project Expenses	22	4,923.52	4,066.46
	b) Cost of Material	23	33.86	202.58
	c) Employee Benefit Expense	24	826.48	614.98
	d) Finance Cost	25	115.71	19.78
	e) Depreciation and Amortisation Expense		188.51	166.26
	f) Other Expenses	26	270.06	282.03
	Total Expenses		6,358.14	5,352.08
3	Profit Before Exceptional Item and Tax (1-2)		906.23	811.13
4	Exceptional Item			
5	Profit Before Tax		906.23	811.13
	Tax Expenses			
	Current Tax		220.95	227.76
	Deferred Tax		10.51	(20.47)
6	Profit After Tax		674.77	603.84
7	Other Comprehensive Income			
	a) (i) Items that will not be reclassified to profit or loss			
	(ii) Income Tax relating to items that will not be reclassified to profit or loss			
	b) (i) Items that will be reclassified to profit or loss			
	(ii) Income Tax relating to items that will be reclassified to profit or loss			
	Total other comprehensive Income			
8	Total Comprehensive Income		674.77	603.84
9	Earnings per Share	27		
	a) Basic		2.91	2.63
	b) Diluted		2.91	2.63

Significant Accounting Policies

The accompanying notes 1 to 37 are an integral part of the financial statements

For PARY & CO

Chartered Accountants

(Firm's Registration No.007288C)

Sd/-

(Jyothsna Tera)

Partner

M.No.259810

Place: Hyderabad

Date : 30/05/2025

UDIN No. 25259810BMKYRM7368

For & on behalf of the Board of Directors

Sd/-

J Murali Krishna

Managing Director

DIN: 00016054

Sd/-

T B Krishna Mohan

CFO

Sd/-

J Sujatha

Director

DIN: 07014640

Sd/-

Ivaturi Saiteja

Company Secretary

CASH FLOW STATEMENT (STANDALONE) FOR THE YEAR ENDED 31ST MARCH 2025

		Rs. In lakhs	
Particulars		As at 31.03.2025 Rs. In lakhs	As at 31.03.2024 Rs. In lakhs
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax	906.23	811.13
	Adjustments for:		
	Depreciation	188.51	166.26
	Interest & Finance Charges	115.71	19.78
	Interest Income	(13.21)	(7.76)
	Operating Profit before Working Capital Changes	1,197.24	989.41
	Adjustments for:		
	(Increase)/Decrease in Inventories	116.76	(94.86)
	(Increase)/Decrease in Current Trade Receivables	406.62	(601.41)
	(Increase)/Decrease in Non current Trade Receivables	55.10	(36.10)
	(Increase)/Decrease in Other Non-Current Assets	(7.79)	0.10
	(Increase)/Decrease in Other Current Assets	(1,676.62)	661.17
	Increase/(Decrease) in Trade Payables	(6.33)	4.16
	Increase/(Decrease) in Other Current Liabilities & Provisions	(326.41)	502.65
	Increase/(Decrease) in Non Current Liabilities	467.58	374.57
	Cash generated from operations	226.16	1,799.69
	Income Tax	220.95	227.76
	Net Cash flow from Operating activities	5.21	1,571.94
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets and Capital Work In progress	(610.14)	8.45
	Purchase of Investments	-	(1,100.00)
	Interest Received	13.21	7.76
	Net Cash used in Investing activities	(596.93)	(1,083.80)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Change in Other Equity	(517.49)	(21.20)
	Share warrants money	1,204.00	
	Share capital	29.37	
	Share premium	155.66	
	Interest Charges	(115.71)	(19.78)
	Dividend Payment	(171.94)	(137.55)
	Borrowings	101.42	(234.08)
	Net Cash used in financing activities	685.31	(412.61)
	Net Increase in Cash & Cash Equivalents	93.59	75.53
	Cash and Cash Equivalent at the beginning of the period	370.56	295.04
	Cash and Cash Equivalent at the end of the period	464.16	370.56

For PARY & CO

Chartered Accountants
(Firm's Registration No.007288C)

Sd/-
(Jyothsna Tera)
Partner
M.No.259810

Place: Hyderabad
Date : 30/05/2025
UDIN No. 25259810BMKYRM7368

For & on behalf of the Board of Directors

Sd/-
J Murali Krishna
Managing Director
DIN: 00016054

Sd/-
T B Krishna Mohan
CFO

Sd/-
J Sujatha
Director
DIN: 07014640

Sd/-
Ivaturi Saiteja
Company Secretary

STATEMENT OF CHANGE IN EQUITY - STANDALONE

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
A. Equity Share Capital		
Balance at the beginning	2,292.50	2,292.50
Add: Changes in Equity share capital during the year	29.37	
Closing Balances	2,321.87	2,292.50
B. Other Equity		
Other Reserves		
Capital Reserve	106.67	106.67
Securities Premium	3,301.41	3,145.75
Equity share warrant money Forfeited*	129.19	129.19
Equity share warrant money	1,204.00	
Surplus		
Opening Balances	6,511.44	6,066.35
Add: Profit during the Year	674.77	603.84
Less: Dividend for Financial Year 2022-23	-	137.55
Less: Dividend for Financial Year 2023-24	171.94	
Less: CSR expenditure	26.00	21.20
Less: Prior period item	491.49	-
Closing Balances	6,496.78	6,511.44
Total	11,238.05	9,893.05

For PARY & CO

Chartered Accountants
(Firm's Registration No.007288C)

Sd/-
(Jyothsna Tera)
Partner
M.No.259810

Place: Hyderabad
Date : 30/05/2025
UDIN No. 25259810BMKYRM7368

For & on behalf of the Board of Directors

Sd/-
J Murali Krishna
Managing Director
DIN: 00016054

Sd/-
T B Krishna Mohan
CFO

Sd/-
J Sujatha
Director
DIN: 07014640

Sd/-
Ivaturi Saiteja
Company Secretary

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Company information:

Vedavaag Systems Limited ("The Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on BSE stock exchange in India.

The company has changed its registered office from 103, West Block, Siri Sai Orchid, Hi-Tech City, Madhapur, Hyderabad-500 081 Telangana to 1-89/G/113 NR, 3rd Floor Park View, Gafoor Nagar, Madhapur, Hyderabad, Shaikpet, Telangana, India, 500081.

The Company is principally engaged in IT Sales and Services like Governance & Citizen Services, Banking, Finance and Insurance Services.

Significant Accounting Policies:

a. Statement of Compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) specified under Section 133 of companies Act, 2013, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, with effect from 1 April 2017. Previous periods have been restated to Ind- AS.

b. Basis of Preparation:

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 measurement date.

c. Functional and Presentation Currency:

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

d. Use of Estimates and Judgment:

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosures of contingent liabilities and contingent assets at the date of the financial statements and reported amounts of income and expenses during the period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

e. Current and Non-Current classification:

The Company presents assets and liabilities in the balance sheet on current /non- current classification.

An asset is current when it is:

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

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading

- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All the other liabilities are classified as non-current.

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

f. Property, Plant and Equipment: Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- It is probable that future economic benefits associated with the item will flow to the entity; and
- The cost of the item can be measured reliably.

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses if any. Cost includes expenditure directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Depreciation:

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use.

The estimated useful life of assets is reviewed and where appropriate are adjusted, annually.

Subsequent Cost:

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

g. Intangible Assets:

An intangible asset shall be recognised if, and only if:

- It is probable that the expected future economic benefits that are attributable will flow to the entity; and
- The cost of the asset can be measured reliably

An intangible asset shall be carried at its cost less any accumulated amortisation. Intangible assets are amortized on straight line basis.

h. Investments:

Long term and unquoted current investments are stated at cost and quoted current investments at lower of cost or market value. Provision for diminution in value of long- term investments is made only if such a decline is other than temporary in the opinion of the management.

i. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

j. Inventory:

Inventories shall be measured at the lower of cost and net realisable value. Cost of Inventory is determined using the FIFO.

k. Revenue recognition:

The company primarily derives Revenue from rendering IT and IT enabled services, System Integration/IOT Projects.

- Revenue from time and material engagements is recognized on time proportion basis as and when the services are rendered in accordance with the terms of the contracts with customers'
- In case of fixed price contracts, revenue is recognized based on the milestones achieved as specified in the contracts, on proportionate completion basis"
- Revenue from maintenance contracts and subscription is recognized on a pro-rata basis over the period of the contract.
- Unbilled revenue represents revenue recognized in relation to work done on time and material projects and fixed price projects until the balance sheet date for which billing has not taken place.
- Interest income is recognized on a time proportion basis taking into account the carrying amount and the effective interest rate. Interest income is included under the head 'Other income' in the statement of profit and loss.

l. Income Tax

Income tax comprises current and deferred tax, Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period' The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority. Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

m. Employee Benefits

Gratuity:

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by third party funds, the Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Company Recognizes actual/Re measurement gains and losses in other comprehensive income, net of taxes.

Provident Fund:

The Company make contribution to the statutory provident fund in accordance with the Employees' Provident Funds and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the services are rendered.

Leave Encashment:

The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognized in tire period in which the absences occur.

n. Impairment of Non-financial Assets:

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

o. Earnings Per Share:

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of Equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares,

Basic and diluted earnings per equity share are also computed using the earnings amounts excluding the movements in regulatory deferral account balances

p. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

q. Foreign Currencies

Transactions in foreign currencies are initially recorded by the company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the company's monetary items at the closing rates, are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction.

r. Critical accounting judgements and key source of estimation uncertainty:

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under:

1. Useful life of property, plant and equipment:

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

2. Recoverable amount of property, plant and equipment:

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

3. Post-employment benefit plans:

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have material impact on the resulting calculations.

4. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 "Non-Current Assets held for sale and discontinued Operations". In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

5. Provisions and contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

6. Impairment of Investments:

Investments in Subsidiaries are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

Impairment test is performed at entity level. An impairment loss is recognised whenever the carrying amount of Investment exceeds its recoverable amount.

The recoverable amount is the greater of its fair value less costs to sell and value in use. To Calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset.

The calculation involves use of significant estimates and assumptions which include turnover and gross margin, growth rate and net margin used to calculate projected future cash flows, Discount rate and long-term growth rate.

s. Financial Instruments:

As per Ind AS 109, Financial Instruments, all financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price.

Financial assets are subsequently measured at amortized cost, fair value through profit or loss or fair value through other comprehensive income as the case may be.

On account of adoption of Ind AS 109, the group uses Expected Credit Loss (ECL) model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors, credit ratings and the Group's historical experience for customers. The adoption of ECL model did not have a material impact on the financial statements.

Fair value of financial instrument:

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

t. Investments in subsidiaries and associates

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, investments in subsidiaries are carried at cost less accumulated impairment losses, if any.

u. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

v. Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax are adjusted for the effects of transaction of non-cash and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating (operating activities), investing and financing activities of the company are segregated.

NOTES TO BALANCE SHEET (STANDALONE)

Note 1 : Property Plant & Equipment

Rs. In lakhs

Particulars	Computer Harware	Furniture and Fixtures	Vehicles	Office Equipment	Others	Total
Gross Block						
Balance as at 31.03.2023	4,497.21	119.44	125.04	36.12	113.76	4,891.57
Additions	7.22	-	-	4.34	-	11.55
Deletions	-	-	-	-	-	-
Balance as at 31.03.2024	4,504.42	119.44	125.04	40.45	113.76	4,903.12
Additions	656.64	-	-	-	-	656.64
Deletions	-	-	-	-	-	-
Balance as at 31.03.2025	5,161.06	119.44	125.04	40.45	113.76	5,559.76
Accumulated Depreciation						
Balance as at 31.03.2023	3,352.61	97.38	60.20	17.19	87.45	3,614.84
Charge for the year	111.87	1.40	6.32	2.10	2.57	124.25
Deletion	-	-	-	-	-	-
Balance as at 31.03.2024	3,464.48	98.78	66.52	19.28	90.02	3,739.09
Charge for the year	141.52	1.52	5.71	2.10	2.31	153.16
Deletion	-	-	-	-	-	-
Balance as at 31.03.2025	3,606.00	100.30	72.23	21.39	92.33	3,892.25
Net Block						
Balance as at 31.03.2023	1,144.60	22.05	64.84	18.93	26.31	1,276.73
Balance as at 31.03.2024	1,039.94	20.65	58.52	21.17	23.74	1,164.03
Balance as at 31.03.2025	1,555.06	19.13	52.81	19.07	21.43	1,667.50

Note 2 : Other Intangible Assets

Rs. In lakhs

Particulars	Computer Software	Project Development WIP	Total
Gross Block			
Balance as at 31.03.2023	764.06	417.52	1,181.58
Additions	-	-	-
Deletions	-	20.00	20.00
Balance as at 31.03.2024	764.06	397.52	1,161.58
Additions	-	33.50	33.50
Deletions	-	80.00	80.00
Balance as at 31.03.2025	764.06	351.02	1,115.08
Amortization			
Balance as at 31.03.2023	498.72	-	498.72
Charge for the year	42.00	-	42.00
Disposals	-	-	-
Balance as at 31.03.2024	540.72	-	540.72
Charge for the year	35.35	-	35.35
Disposals	-	-	-
Balance as at 31.03.2025	576.07	-	576.07
Net Block			
Balance as at 31.03.2023	265.34	417.52	682.86
Balance as at 31.03.2024	223.34	397.52	620.86
Balance as at 31.03.2025	187.99	351.02	539.01

Project development WIP

Reconciliation of carrying amount:	As at 31.03.2025	As at 31.03.2024
Opening balances	397.52	417.52
Additions during the year	33.50	-
Deletions during the year	80.00	20.00
Closing balances	351.02	397.52

Ageing Schedule
As at 31st March 2025

Particulars	Amount in WIP for a period of				
	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Project in progress	33.50	-		317.52	351.02
Projects suspended	-	-	-	-	-

As at 31st March 2024

Particulars	Amount in WIP for a period of				
	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Project in progress	-	-	45.00	352.52	397.52
Projects suspended	-	-	-	-	-

Note 3 : Non Current Investments

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
A. Investment in Wholly Owned Subsidiaries (At Cost)		
1. Investment in Equity Instruments (Unquoted)		
VSL Data Systems Private Limited (formaly Synaptic Systems Pvt.Ltd) 14,00,000 Equity shares of Rs.100 each	1,400.00	1,400.00
Vedavaag Edutech Private Limited 10000 equity shares of Rs.10 each	1.00	1.00
Vedavag common Service Centers Private Limited 10000 equity shares of Rs.10 each	1.00	1.00
Vedavaag Financial Services Private Limited 10000 equity shares of Rs.10 each	1.00	1.00
2. Investments in Preference Shares		
VSL Data Systems Private Limited 40,00,000 5% Redeemable Cumulative Preference shares of Rs.10 each	400.00	400.00
Investment in subsidiaries	1,803.00	1,803.00
B. Investment in other companies		
1. Investment in Business Correspondent Resource Council (BCRC) (A company registered under Section 8 of the Companies Act, 2013) 10,000 equity shares of Rs. 10/- each	1.00	1.00
Aggregate value of Unquoted investments	1,804.00	1,804.00

During the previous financial years the company held investments in the subsidiary company to the tune of Rs. 1803 lakhs.

The management is of the opinion that all the above investments are good and realizable, no provision/impairment is made in the books of account.

Note : 4 Trade Receivables (Non Current)

Particulars	As at 31.03.2025	As at 31.03.2024
Secured, Considered Good (Receivable from govt.Parties and Others)		-
UnSecured, Considered Good (more than six months) (Receivable from govt.Parties and Others)	1,465.68	1,520.78
Total	1,465.68	1,520.78

Confirmation of balances / Reconciliation: The reconciliation of balances with debtors, creditors etc., has been carrying out from time to time with the confirmation of balances from the parties.

Outstanding for the following periods**As at 31st March 2025**

Particulars	< 6 months	6 months - 1 year	1 - 2 years	2 -3 years	> 3 years	Total
Undisputed trade receivables	-	-		-	928.08	928.08
Disputed trade receivables					537.60	537.60
Total	-	-	-	-	1,465.68	1,465.68

As at 31st March 2024

Particulars	< 6 months	6 months - 1 year	1 - 2 years	2 -3 years	> 3 years	Total
Undisputed trade receivables	-	-		49.73	933.45	983.18
Disputed trade receivables					537.60	537.60
Total	-	-	-	49.73	1,471.05	1,520.78

Note 5 : Other Non Current Assets

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Capital Advances	287.97	291.97
Deposits * (Unsecured Considered good)	17.65	5.86
Total	305.62	297.83

Note : 6 Inventory

Particulars	As at 31.03.2025	As at 31.03.2024
Inventories and Project WIP (valued at FIFO)	75.02	191.78
Total	75.02	191.78

Note : 7 Trade Receivables

Particulars	As at 31.03.2025	As at 31.03.2024
Secured, Considered Good (Receivable from govt.Parties and Others)	1,228.19	1,634.81
UnSecured, Considered Good (Receivable from govt.Parties and Others)	-	-
Total	1,228.19	1,634.81

Outstanding for the following periods**As at 31st March 2025**

Particulars	< 6 months	6 months - 1 year	1 - 2 years	2 -3 years	> 3 years	Total
Undisputed trade receivables	452.53	-		-		452.53
Disputed trade receivables				-		-
Unbilled dues	775.66					775.66
Total	1,228.19	-	-	-	-	1,228.19

As at 31st March 2024

Particulars	< 6 months	6 months - 1 year	1 - 2 years	2 -3 years	> 3 years	Total
Undisputed trade receivables	1,509.33	-		-	-	1,509.33
Disputed trade receivables	-			-	-	-
Unbilled dues	125.48					125.48
Total	1,634.81	-	-	-	-	1,634.81

Note : 8 Cash and Cash Equivalents

Particulars	As at 31.03.2025	As at 31.03.2024
Balance with Bank	102.37	46.54
Cash on Hand	197.78	170.02
Total	300.15	216.56

Note 9 : Bank Balances Other than above

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Balance with Bank (Margin Money Deposits)	164.00	154.00
Total	164.00	154.00

Note : 10 Other Current Assets

Particulars	As at 31.03.2025	As at 31.03.2024
Advances otherthan Capital Advances		
Advance to Subsidiaries *	2,220.87	967.83
BC Bank Accounts	638.82	486.32
Less: CSP Deposits	-638.82	(486.32)
Other Advances	6,442.58	6,019.00
Total	8,663.45	6,986.83

Note : 11 Notes to Equity**A Equity Share Capital**

Particulars	As at 31.03.2025		As at 31.03.2024	
	No.	Rs. Lakhs	No.	Rs. Lakhs
Authorised				
Equity Shares of Rs.10 Each	32,000,000	3,200.00	30,000,000	3,000.00
Total		3,200.00		3,000.00
Issued, Subsribed & paid up				
Equity shares of Rs.10 Each	23,218,700	2,321.87	22,925,000	2,292.50
Total		2,321.87		2,292.50

B Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2025		As at 31.03.2024	
	No.	Rs. Lakhs	No.	Rs. Lakhs
Shares outstanding at the beginning of the year	22,925,000	2,292.50	22,925,000	2,292.50
Shares issued during the year	293,700	29.37	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	23,218,700	2,321.87	22,925,000	2,292.50

C Terms/rights attached to equity shares, including restrictions on distribution of dividends and the repayment of capital

The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year, the company has issued 7938000 share warrants to be converted at the price of Rs. 63/- per share. Of which, 293700 warrants have been converted by issue of 293700 shares @ Rs. 10/- per share (face value) and premium of Rs. 53/- per share.

D Shares in the Company held by each share holder holding more than 5 percent shares specifying the number of shares Rs. In lakhs

Name of Share Holder	As at 31.03.2025		As at 31.03.2024	
	No of Shares Held	% of holding	No of Shares Held	% of holding
J. MURALI KRISHNA	4,598,712	19.81%	4,598,712	20.06%
J.S.R. DURGA PRASAD	3,584,960	15.44%	3,584,960	15.64%

E Equity shares held by promoters at the end of the year

Name of Share Holder	As at 31.03.2025		As at 31.03.2024	
	No of Shares Held	% of holding	No of Shares Held	% of holding
J. MURALI KRISHNA	4,598,712	19.81%	4,598,712	20.06%
J.S.R. DURGA PRASAD	3,584,960	15.44%	3,584,960	15.64%
J. SUJATHA	65,607	0.28%	65,607	0.29%

Note : 12 Other Equity

Particulars	As at 31.03.2025	As at 31.03.2024
Other Reserves		
Capital Reserve	106.67	106.67
Securities Premium	3,301.41	3,145.75
Equity share warrant money Forfeited*	129.19	129.19
Equity share warrant money	1,204.00	
Surplus		
Opening Balances	6,511.44	6,066.35
Add: Profit during the Year	674.77	603.84
Less: Dividend for Financial Year 2022-23	-	137.55
Less: Dividend for Financial Year 2023-24	171.94	-
Less: CSR expenditure	26.00	21.20
Less: Prior period items	491.49	-
Closing Balances	6,496.78	6,511.44
Total	11,238.05	9,893.05

Note : 13 Borrowings (Non Current)

Particulars	As at 31.03.2025	As at 31.03.2024
Vehicle Loan*	6.16	9.62
(secured by Hypothecation of the Vehicles)		
Orix Leasing & Financial Services India Ltd	254.25	98.35
(secured by Hypothecation of the equipment)		
Total	260.41	107.97

Secured long term borrowings represent the amounts received from Banks/NBFCs as summarised below

Lender Name	Orix Leasing & Financial Services Pvt Ltd
Rate of Interest	12.5% p.a.
Security	Equipment purchased
Terms of Repayment	Loan 1: 24 monthly instalments commencing from May 2024 Loan 2: 24 monthly instalments commencing from Aug 2024
Amount Overdue	NIL

Lender Name	Orix Leasing & Financial Services Pvt Ltd			
Nature	Leased Asset			
Lease Term	3Years			
Right of Use Asset	Gross Value	Depreciation	Net Value as on 31.03.2025	
(in lakhs)	223.32	12.41	210.92	
Lease Liability	Gross Value	Finance Cost	Lease Rental	Net Value as on 31.03.2025
(in lakhs)	223.32	2.88	14.37	211.83

Note : 14 Deferred Tax Liabilities (Net)

Particulars	As at 31.03.2025	As at 31.03.2024
Opening Balance	240.96	261.43
Add or (Less): Charge during the Year	10.51	(20.47)
Total	251.47	240.96

Note : 15 Other Non Current Liabilities

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
CSP and Other Deposits	749.32	335.42
Others	358.74	305.06
Total	1,108.06	640.48

Note : 16 Current Liabilities - Borrowings

Particulars	As at 31.03.2025	As at 31.03.2024
Borrowing - Axis Bank	-	51.02
Total	-	51.02

Note : 17 Trade Payables

Particulars	As at 31.03.2025	As at 31.03.2024
Trade Payables	118.49	124.82
Total	118.49	124.82

Outstanding for the following periods

As at 31st March 2025

Particulars	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed trade payables	10.34	108.15	-	-	118.49
Disputed trade payables	-	-	-	-	-
Unbilled dues	-	-	-	-	-
Total	10.34	108.15	-	-	118.49

As at 31st March 2024

Particulars	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed trade payables	19.19	105.63	-	-	124.82
Disputed trade payables	-	-	-	-	-
Unbilled dues	-	-	-	-	-
Total	19.19	105.63	-	-	124.82

Note : 18 Other Current Liabilities

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Expenses payable	626.21	752.03
Current maturities of Long Term Debt	209.02	77.27
Unpaid Dividend	40.12	34.88
Taxes and Duties	16.13	414.58
Total	891.48	1,278.75

Note : 19 Current Tax Liability

Particulars	As at 31.03.2025	As at 31.03.2024
Provision for the year	220.95	227.76
Less:TDS & TCS	198.16	265.83
Total	22.79	-38.07

| NOTES TO PROFIT & LOSS ACCOUNT (STANDALONE)

Note : 20 Revenue From Operations

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Sales	31.15	202.68
Services	7,218.91	5,952.20
Total	7,250.06	6,154.88

Note : 21 Other Income

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Interest Income	13.21	7.76
Other Non Operating Income	1.11	0.58
Total	14.32	8.34

Note : 22 Project Expenses

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Project Expenses	4,923.52	4,066.46
Total	4,923.52	4,066.46

Note : 23 Cost of Material

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Opening Inventory	191.78	96.92
Add: Purchases (Net)	33.86	297.43
Add: Cost of materials consumed in IoT	-	-
Total	225.64	394.35
Less: Closing Inventory	75.02	191.78
Less: WIP (PROJECTS)/asset	116.76	-
Total	33.86	202.58

Note : 24 Employee Benefit Expenses

Rs. In lakhs

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Salaries and Wages	826.48	614.98
Total	826.48	614.98

The company has taken policy for group gratuity scheme with Life insurance Corporation of India and making premium contributions towards Gratuity and Pension liability as intimated from time to time. The Company does not possess the data relating to actuarial valuation made by the Trust for the year and correspondingly does not have any actuarial valuation provision in the financial statement against such employee benefits.

Note : 25 Finance Cost

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Interest - Others	114.70	18.47
Interest on Vehicle Loan	1.01	1.31
Total	115.71	19.78

Note : 26 Administrative and Marketing Expenses

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Audit Fee	3.00	3.00
Business Development and Marketing	-	1.69
Bank charges	1.65	1.46
Consultancy & Professional charges	45.02	22.94
Telephone & Internet, web server maintenance etc.,	16.97	14.25
Miscellaneous	0.88	-
Meeting Expenses	-	2.23
Printing and Stationery	1.84	4.22
Insurance	46.69	73.18
Rent	51.72	41.74
Repairs and maintenance	8.81	1.04
Share Services Charges	19.12	8.04
Travelling and Conveyance	16.66	13.03
Office Maintenance	57.70	95.21
Total	270.06	282.03

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

Note: 27 Earnings per Share

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Numerator for EPS		
Net Profit after tax (Rs. Lacs) (A)	674.77	603.84
Weighted Average no. of Shares considered for Denominator for Basic EPS (Rs. Lacs) (B)*	232.18	229.25
Basic and diluted Earnings Per Share (Rs.) (A) / (B)	2.91	2.63

Note: 28 Related Party Disclosures

1. Related Parties Where Control Exits

Company	Type of Relation
VSL Data Systems Private Limited	Wholly owned subsidiary
Vedavaag Edutech Private Limited	Wholly owned subsidiary
Vedavag Common Service Centers Private Limited	Wholly owned subsidiary
Vedavaag Financial Services Private Limited	Wholly owned subsidiary
Vedavaag Kiya E Commerce Private Limited	Subsidiary

2. Key Management Personnel

- a. J. Murali Krishna : Managing Director
- b. T B Krishna Mohan : CFO
- c. Ivaturi Sai Teja : Company Secretary & Compliance officer

3. Related Party transactions during the year

Nature of transactions	Name of Entity	2024-25	2023-24
Advances to Subsidiaries	VSL Data Systems Private Limited	1099.25	-125.00
	Vedavaag Edutech Private Limited	109.35	55.37
	Vedavag Common Service Centers Private Limited	43.60	8.52
	Vedavaag Financial Services Private Limited	0.84	0.02
	Vedavaag Kiya E Commerce Private Limited	0.00	0.00

4. Remuneration of key managerial personnel:

Particulars of remuneration	For the year ended	
	31 March 2025	31 March 2024
Short term employee benefits	Rs.62.85 lakhs	Rs. 49.50 lakhs

The above post-employment benefits exclude gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

5. Outstanding balances:

Rs. In lacs

Description	Company	2024-25	2023-24
Equity Investment in Subsidiaries	VSL Data Systems Private Limited	1400.00	1400.00
	Vedavaag Edutech Private Limited	1.00	1.00
	Vedavag Common Service Centres Private Limited	1.00	1.00
	Vedavaag Financial Services Private Limited	1.00	1.00
Preference Shares Investment in Subsidiaries	VSL Data Systems Private Limited	400.00	400.00
Advance to subsidiaries	VSL Data Systems Private Limited	1511.60	412.35
	Vedavaag Edutech Private Limited	417.51	308.16
	Vedavag Common Services Centers Private Limited	288.79	245.19
	Vedavaag Financial Services Private Limited	0.49	-0.34
	Vedavaag Kiya E Commerce Private Limited	2.47	2.47

Note: 29 Contingent liabilities

The Company has submitted Performance Bank Guarantees worth of Rs.70.00 lakhs. The BGs were obtained against 100% margin money from various banks for Financial Inclusion projects.

Note: 30 Corporate social responsibility

In accordance with section 135(5) of the Companies Act, 2013, the CSR expenditure for the year was Rs. 17.96 lakhs and the CSR expenditure incurred was Rs. 26 lakhs resulting in surplus of Rs. 8.04 lakhs which can be adjusted against the CSR liability for the next three financial years.

Note: 31 Disclosures pertaining to SEBI (listing obligations & disclosure requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013**Outstanding position of the Investment:**

Entity	As at 31-03-2024	Allotment/purchases during the year	Sold during the year	As at 31-03-2025
Business Correspondent Resource Council (BCRC), a company registered under Section 8 of the Companies Act, 2013	1,00,000	-	-	1,00,000

Note: 32 Analytical Ratios

Ratio	Numerator	Denominator	Current Period	Previous period	% variance	Reasons for variance
Current ratio	Current assets	Current liabilities	10.10	6.48	56%	Decrease in current liabilities resulted in variance
Debt – equity ratio	Total Debt	Shareholders' equity	0.10	0.06	64%	Increase in the ratio is on account of increase in the long-term liabilities during the year.
Debt Service Coverage ratio	Earnings available for debt service	Debt service	5.248	2.369	122%	Increase in sources and decrease in application resulted in improvement in ratio.
Return on Equity (ROE)	Net profit after taxes	Shareholders' equity	4.98%	4.96%	0%	
Inventory Turnover ratio	Sales	Closing Inventory	96.64	32.09	201%	Increase in turnover and decrease in Inventory resulted in variance
Trade Receivable Turnover ratio	Sales	Closing trade receivables	5.903	3.765	57%	Increase in turnover and decrease in Receivables resulted in variance
Trade Payables Turnover ratio	Credit purchases	Closing trade payables	-	-	0%	
Net Capital turnover ratio	Sales	Working capital	0.77	0.79	-3%	
Net profit ratio	Profit after tax	Total income	9.29%	9.80%	-5%	
Return on Capital employed	Earnings before interest and taxes	Capital employed	0.07	0.06	7%	
Return on investment	Realised gain on investment	Investment value	-	-	-	

Reason for variance is given for ratios having % change more than 25%.

Note: 33 Benami Property

There are no proceedings initiated or pending against the company as at 31st March 2025, under Prohibition of Benami Property Transaction Act, 1988 (as amended in 2016).

Note: 34 Wilful Defaulter

The company is not declared a wilful defaulter by any bank or financial institution or other lender.

Note: 35 Undisclosed incomes

The company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search, survey or any other relevant provisions of the Income Tax Act, 1961).

Note: 36

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note: 37 Struck off companies

The company has not entered into any transaction with the companies struck off as per section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

Previous figures have been regrouped wherever necessary to confirm to current years classification.

For PARY & CO

Chartered Accountants
(Firm's Registration No.007288C)

Sd/-
(Jyothsna Tera)
Partner
M.No.259810

Place: Hyderabad
Date : 30/05/2025
UDIN No. 25259810BMKYRM7368

For & on behalf of the Board of Directors

Sd/-
J Murali Krishna
Managing Director
DIN: 00016054

Sd/-
T B Krishna Mohan
CFO

Sd/-
J Sujatha
Director
DIN: 07014640

Sd/-
Ivaturi Saiteja
Company Secretary

| INDEPENDENT AUDITORS' REPORT

To The Members of **Vedavaag Systems Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Vedavaag Systems Limited** ("the Holding Company") and its subsidiary, (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the management on separate financial statements of the subsidiary referred to in the Other Matters section below the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of the subsidiary audited by the management, to the extent it relates to and in doing so, place reliance on the work of the management and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements certified by the management.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate

accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements 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 the 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

Other Matters

- (a) We did not audit the financial statements of four subsidiaries, whose unaudited financial statements reflect total assets of ₹ 6247.14 lacs as at March 31, 2025, total revenues of ₹ 3328.66 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been un audited and the financial reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports furnished by the management.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the management on the separate financial statements of the subsidiary entity referred to in the Other Matters section above we report, to the extent applicable that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the management.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements and with the returns received by us and the management.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Company, none of the directors of the Group companies is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 33 to the consolidated financial statements;
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) Unpaid Dividend of Rs.6.40 lacs pertaining to 2016-17 was required to be transferred to the Investor Education and Protection Fund by the Holding Company.
 - iv) (a) The Management of the Holding Company have represented to us, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management of the Holding Company, have represented to us, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v) The final dividend proposed in the previous year, declared and paid by the Holding Company, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.
 - vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2024 to the Holding Company, and accordingly, we report that the company is having adequate security features for audit trail and passwords are duly protected.
2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Holding Company, we report that CARO is applicable only to the Holding Company and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of Holding Company

Place: Hyderabad
Date : May 30, 2025

For **P A R Y & CO.,**
Chartered accountants
(Firm's Registration No. 007288C)

Sd/-
Jyothsna Tera
Partner
(Membership No. 259810)
UDIN: 25259810BMKYRL2402

| ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of **Vedavaag Systems Limited** (hereinafter referred to as “the Holding Company”), as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding company, is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 to the best of our information and according to the explanations given to us, the Holding Company, has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to consolidated financial statements 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.

Place: Hyderabad
Date : May 30, 2025

For **P A R Y & CO.,**
Chartered accountants
(Firm's Registration No. 007288C)

Sd/-
Jyothsna Tera
Partner
(Membership No. 259810)
UDIN: 25259810BMKYRL2402

BALANCE SHEET (CONSOLIDATED) AS AT 31ST MARCH, 2025

Rs. In lakhs

Particulars	Note	As at 31.03.2025	As at 31.03.2024
I ASSETS			
(1) Non-Current Assets			
(a) Property Plant & Equipment	1	1,667.58	1,164.42
(b) Other Intangible Assets	2	1,126.12	1,345.72
(c) Financial Assets			
i. Investments	3	1.00	1.00
ii. Trade Receivables	4	1,465.68	1,520.78
iii. Other Financial Assets			
(d) Other Non Current Assets	5	305.62	297.83
Total Non Current Assets		4,566.00	4,329.75
(2) Current Assets			
(a) Inventories	6	75.02	191.78
(b) WIP			
(c) Financial Assets			
i. Investments			
ii. Trade Receivables	7	4,420.98	3,185.87
iii. Cash and Cash Equivalents	8	330.05	229.97
iv. Bank Balances Other than iii above	9	164.00	154.00
(d) Other Current Assets	10	8,891.10	8,601.47
Total Current Assets		13,881.15	12,363.09
TOTAL ASSETS		18,447.16	16,692.84
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	11	2,321.87	2,292.50
(b) Other Equity	12	12,509.75	10,998.13
Total Equity		14,831.62	13,290.63
(2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	13	260.41	107.97
ii. Trade Payables			
iii. Other Financial Liabilities			
(b) Deferred Tax Liabilities (Net)	14	343.67	327.49
(c) Other Non Current Liabilities	15	1,108.06	640.48
Total Non Current Liabilities		1,712.14	1,075.94

(Contd...)

BALANCE SHEET (CONSOLIDATED) (Contd.)

Rs. In lakhs

Particulars	Note	As at 31.03.2025	As at 31.03.2024
Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	16	-	51.02
ii. Trade Payables	17	475.97	580.74
iii. Other Financial Liabilities			
(b) Other Current Liabilities	18	1,414.53	1,596.11
(c) Current Tax Liabilities	19	12.90	98.40
Total Current Liabilities		1,903.39	2,326.27
Total Liabilities		3,615.53	3,402.21
TOTAL EQUITY AND LIABILITIES		18,447.16	16,692.84

Significant Accounting Policies

The accompanying notes 1 to 37 are an integral part of the financial statements

For PARY & CO

Chartered Accountants

(Firm's Registration No.007288C)

Sd/-

(Jyothsna Tera)

Partner

M.No.259810

Place: Hyderabad

Date: 30/05/2025

UDIN No. 25259810BMKYRL2402

For & on behalf of the Board of Directors

Sd/-

J Murali Krishna

Managing Director

DIN: 00016054

Sd/-

T B Krishna Mohan

CFO

Sd/-

J Sujatha

Director

DIN: 07014640

Sd/-

Ivaturi Saiteja

Company Secretary

PROFIT & LOSS ACCOUNT (CONSOLIDATED) FOR THE YEAR ENDED 31ST MARCH 2025

Rs. In lakhs

	Particulars	Note	for the year ended 31 Mar 2025	for the year ended 31 Mar 2024
1	INCOME			
	a) Revenue from Operations	20	10,578.72	8,670.42
	b) Other Income	21	14.32	8.73
	Total Income		10,593.04	8,679.15
2	EXPENSES			
	a) Project Expenses	22	7,258.68	4,860.92
	b) Cost of Material	23	45.56	329.36
	c) Employee Benefit Expense	24	1,328.61	1,453.47
	d) Finance Cost	25	115.71	19.78
	e) Depreciation and Amortisation Expense		326.54	668.49
	f) Other Expenses	26	383.49	357.44
	Total Expenses		9,458.59	7,689.45
3	Profit Before Exceptional Item and Tax (1-2)		1,134.45	989.70
4	Exceptional Item			
5	Profit Before Tax		1,134.45	989.70
	Tax Expenses			
	Current Tax		276.93	286.72
	Deferred Tax		16.20	(86.01)
6	Profit After Tax		841.31	788.99
7	Other Comprehensive Income			
	a) (i) Items that will not be reclassified to profit or loss			
	(ii) Income Tax relating to items that will not be reclassified to profit or loss			
	b) (i) Items that will be reclassified to profit or loss			
	(ii) Income Tax relating to items that will be reclassified to profit or loss			
	Total other comprehensive Income			
8	Total Comprehensive Income		841.31	788.99
9	Earnings per Share	27		
	a) Basic		3.62	3.44
	b) Diluted		3.62	3.44

Significant Accounting Policies

The accompanying notes 1 to 37 are an integral part of the financial statements

For PARY & CO

Chartered Accountants

(Firm's Registration No.007288C)

Sd/-

(Jyothsna Tera)

Partner

M.No.259810

Place: Hyderabad

Date: 30/5/2025

UDIN No. 25259810BMKYRL2402

For & on behalf of the Board of Directors

Sd/-

J Murali Krishna

Managing Director

DIN: 00016054

Sd/-

T B Krishna Mohan

CFO

Sd/-

J Sujatha

Director

DIN: 07014640

Sd/-

Ivaturi Saiteja

Company Secretary

CASH FLOW STATEMENT (CONSOLIDATED) FOR THE YEAR ENDED 31ST MARCH 2025

Rs. In lakhs

Particulars	for the year ended 31 Mar 2025	for the year ended 31 Mar 2024
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	1,134.45	989.70
Adjustments for:		
Depreciation	326.54	668.49
Interest & Finance Charges	115.71	19.78
Interest Income	(13.19)	(7.76)
Operating Profit before Working Capital Changes	1,563.51	1,670.21
Adjustments for:		
(Increase)/Decrease in Inventories	116.76	(94.86)
(Increase)/Decrease in Current Trade Receivables	(1,235.11)	(335.11)
(Increase)/Decrease in Non current Trade Receivables	55.10	(36.11)
(Increase)/Decrease in Other Non-Current Assets	(7.79)	0.10
(Increase)/Decrease in Other Current Assets	(289.63)	(1,139.08)
Increase/(Decrease) in Trade Payables	(104.77)	(8.15)
Increase/(Decrease) in Other Current Liabilities & Provisions	(267.09)	389.33
Increase/(Decrease) in Non Current Liabilities	467.68	374.57
Cash generated from operations	298.66	820.88
Income Tax	276.93	344.79
Net Cash flow from Operating activities	21.73	476.09
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital Work In progress	(610.14)	8.45
Purchase of Investments	-	-
Interest Received	13.19	7.76
Net Cash used in Investing activities	(596.95)	16.20
C CASH FLOW FROM FINANCING ACTIVITIES		
Change in Other Equity	(517.49)	(21.20)
Share warrants money	1,204.00	-
Share capital	29.37	-
Share premium	155.66	-
Interest Charges	(115.71)	(19.78)
Dividend Payment	(171.94)	(137.55)
Borrowings	101.42	(234.08)
Net Cash used in financing activities	685.31	(412.61)
Net Increase in Cash & Cash Equivalents	110.09	79.69
Cash and Cash Equivalent at the beginning of the period	383.97	304.28
Cash and Cash Equivalent at the end of the period	494.06	383.97

For PARY & CO

Chartered Accountants
(Firm's Registration No.007288C)

Sd/-
(Jyothsna Tera)
Partner
M.No.259810

Place: Hyderabad
Date: 30/5/2025
UDIN No. 25259810BMKYRL2402

For & on behalf of the Board of Directors

Sd/-
J Murali Krishna
Managing Director
DIN: 00016054

Sd/-
T B Krishna Mohan
CFO

Sd/-
J Sujatha
Director
DIN: 07014640

Sd/-
Ivaturi Saiteja
Company Secretary

STATEMENT OF CHANGE IN EQUITY - CONSOLIDATED

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
A. Equity Share Capital		
Balance at the beginning	2,292.50	2,292.50
Add: Changes in Equity share capital during the year	29.37	-
Closing Balances	2,321.87	2,292.50
B. Other Equity		
Other Reserves		
Capital Reserve	106.67	106.67
Securities Premium	3,301.41	3,145.75
Equity share warrant money Forfeited*	129.19	129.19
Equity share warrant money	1,204.00	
Surplus		
Opening Balances	7,616.52	7,044.35
Add: Profit during the Year	841.44	730.91
Less: Dividend for Financial Year 2022-23	-	137.55
Less: Dividend for Financial Year 2023-24	171.94	
Less: CSR expenditure	26.00	21.20
Less: Prior period item	491.49	-
Closing Balances	7,768.53	7,616.52
Total	12,509.80	10,998.13

For PARY & CO

Chartered Accountants
(Firm's Registration No.007288C)

Sd/-
(Jyothsna Tera)
Partner
M.No.259810

Place: Hyderabad
Date: 30/5/2025
UDIN No. 25259810BMKYRL2402

For & on behalf of the Board of Directors

Sd/-
J Murali Krishna
Managing Director
DIN: 00016054

Sd/-
T B Krishna Mohan
CFO

Sd/-
J Sujatha
Director
DIN: 07014640

Sd/-
Ivaturi Saiteja
Company Secretary

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Company information:

Vedavaag Systems Limited ("The Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on BSE stock exchange in India.

The company has changed its registered office from 103, West Block, Siri Sai Orchid, Hi-Tech City, Madhapur, Hyderabad-500 081 Telangana to 1-89/G/113 NR, 3rd Floor Park View, Gafoor Nagar, Madhapur, Hyderabad, Shaikpet, Telangana, India, 500081.

The Company is principally engaged in IT Sales and Services like Governance & Citizen Services, Banking, Finance and Insurance Services.

Significant Accounting Policies:

a. Statement of Compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) specified under Section 133 of companies Act, 2013, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, with effect from 1 April 2017. Previous periods have been restated to Ind- AS.

b. Basis of Preparation:

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 measurement date.

c. Functional and Presentation Currency:

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

d. Use of Estimates and Judgment:

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosures of contingent liabilities and contingent assets at the date of the financial statements and reported amounts of income and expenses during the period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

e. Current and Non-Current classification:

The Company presents assets and liabilities in the balance sheet on current /non- current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or

- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All the other liabilities are classified as non-current.

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

f. Property, Plant and Equipment: Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- It is probable that future economic benefits associated with the item will flow to the entity; and
- The cost of the item can be measured reliably.

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses if any. Cost includes expenditure directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Depreciation:

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use.

The estimated useful life of assets is reviewed and where appropriate are adjusted, annually.

Subsequent Cost:

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

g. Intangible Assets:

An intangible asset shall be recognised if, and only if:

- It is probable that the expected future economic benefits that are attributable will flow to the entity; and
- The cost of the asset can be measured reliably

An intangible asset shall be carried at its cost less any accumulated amortisation. Intangible assets are amortized on straight line basis.

h. Investments:

Long term and unquoted current investments are stated at cost and quoted current investments at lower of cost or market value. Provision for diminution in value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

i. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. the contract involves the use of an identified asset
- ii. the Company has substantially all the economic benefits from use of the asset through the period of the lease and
- iii. the Company has the right to direct the use of the asset.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

j. Inventory:

Inventories shall be measured at the lower of cost and net realisable value. Cost of Inventory is determined using the FIFO.

k. Revenue recognition:

The company primarily derives Revenue from rendering IT and IT enabled services, System Integration/ IOT Projects.

- Revenue from time and material engagements is recognized on time proportion basis as and when the services are rendered in accordance with the terms of the contracts with customers'
- In case of fixed price contracts, revenue is recognized based on the milestones achieved as specified in the contracts, on proportionate completion basis"
- Revenue from maintenance contracts and subscription is recognized on a pro-rata basis over the period of the contract.
- Unbilled revenue represents revenue recognized in relation to work done on time and material projects and fixed price projects until the balance sheet date for which billing has not taken place.
- Interest income is recognized on a time proportion basis taking into account the carrying amount and the effective interest rate. Interest income is included under the head 'Other income' in the statement of profit and loss.

l. Income Tax

Income tax comprises current and deferred tax, Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period' The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority. Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

m. Employee Benefits

Gratuity:

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by third party funds, The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Company Recognizes actual/Re measurement gains and losses in other comprehensive income, net of taxes.

Provident Fund:

The Company make contribution to the statutory provident fund in accordance with the Employees' Provident Funds and Miscellaneous Provision Act, 1952 which is a defined contribution plan and

contribution paid or payable is recognized as an expense in the period in which the services are rendered.

Leave Encashment:

The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur.

n. Impairment of Non-financial Assets:

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

o. Earnings Per Share:

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of Equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares,

Basic and diluted earnings per equity share are also computed using the earnings amounts excluding the movements in regulatory deferral account balances

p. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

q. Foreign Currencies

Transactions in foreign currencies are initially recorded by the company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the company's monetary items at the closing rates, are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction.

r. Critical accounting judgements and key source of estimation uncertainty:

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under:

1. Useful life of property, plant and equipment:

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

2. Recoverable amount of property, plant and equipment:

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

3. Post-employment benefit plans:

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have material impact on the resulting calculations.

4. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 "Non-Current Assets held for sale and discontinued Operations". In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

5. Provisions and contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

6. Impairment of Investments:

Investments in Subsidiaries are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

Impairment test is performed at entity level. An impairment loss is recognised whenever the carrying amount of Investment exceeds its recoverable amount.

The recoverable amount is the greater of its fair value less costs to sell and value in use. To Calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset.

The calculation involves use of significant estimates and assumptions which include turnover and gross margin, growth rate and net margin used to calculate projected future cash flows, Discount rate and long-term growth rate.

s. Financial Instruments:

As per Ind AS 109, Financial Instruments, all financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price.

Financial assets are subsequently measured at amortized cost, fair value through profit or loss or fair value through other comprehensive income as the case may be.

On account of adoption of Ind AS 109, the group uses Expected Credit Loss (ECL) model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors, credit ratings and the Group's historical experience for customers. The adoption of ECL model did not have a material impact on the financial statements.

Fair value of financial instrument:

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

t. Investments in subsidiaries and associates

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, investments in subsidiaries are carried at cost less accumulated impairment losses, if any.

u. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

v. Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax are adjusted for the effects of transaction of non-cash and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating (operating activities), investing and financing activities of the company are segregated.

NOTES TO BALANCE SHEET (CONSOLIDATED)

Note 1 : Property Plant & Equipment

Rs. In lakhs

Particulars	Computer Hardware	Furniture and Fixtures	Vehicles	Office Equipment	Others	Total
Gross Block						
Balance as at 31.03.2023	4,499.06	119.44	125.04	36.12	113.76	4,893.42
Additions	7.22	-	-	4.34	-	11.55
Deletions	-	-	-	-	-	-
Balance as at 31.03.2024	4,506.28	119.44	125.04	40.45	113.76	4,904.97
Additions	656.64	-	-	-	-	656.64
Deletions	-	-	-	-	-	-
Balance as at 31.03.2025	5,162.91	119.44	125.04	40.45	113.76	5,561.61
Accumulated Depreciation						
Balance as at 31.03.2023	3,353.59	97.38	60.20	17.19	87.45	3,615.82
Charge for the year	111.87	1.40	6.32	2.58	2.57	124.73
Deletion	-	-	-	-	-	-
Balance as at 31.03.2024	3,465.46	98.78	66.52	19.76	90.02	3,740.55
Charge for the year	141.83	1.52	5.71	2.10	2.31	153.47
Deletion	-	-	-	-	-	-
Balance as at 31.03.2025	3,607.29	100.30	72.23	21.87	92.33	3,894.02
Net Block						
Balance as at 31.03.2023	1,145.47	22.05	64.84	18.93	26.31	1,277.60
Balance as at 31.03.2024	1,040.81	20.65	58.52	20.69	23.74	1,164.42
Balance as at 31.03.2025	1,555.62	19.13	52.81	18.59	21.43	1,667.59

Note 2 : Other Intangible Assets

Rs. In lakhs

Particulars	Computer Software	Project Development WIP	Total
Gross Block			
Balance as at 31.03.2023	3,859.42	417.52	4,276.94
Additions	-	-	-
Deletions	-	20.00	20.00
Balance as at 31.03.2024	3,859.42	397.52	4,256.94
Additions	-	33.50	33.50
Deletions	-	80.00	80.00
Balance as at 31.03.2025	3,859.42	351.02	4,210.44
Amortization			
Balance as at 31.03.2023	2,367.47	-	2,367.47
Charge for the year	543.75	-	543.75
Disposals	-	-	-
Balance as at 31.03.2024	2,911.22	-	2,911.22
Charge for the year	173.07	-	173.07
Disposals	-	-	-
Balance as at 31.03.2025	3,084.29	-	3,084.29
Net Block			
Balance as at 31.03.2023	1,491.95	417.52	1,909.47
Balance as at 31.03.2024	948.20	397.52	1,345.72
Balance as at 31.03.2025	775.13	351.02	1,126.15

Project development WIP

Reconciliation of carrying amount:	As at 31.03.2025	As at 31.03.2024
Opening balances	397.52	417.52
Additions during the year	33.50	-
Deletions during the year	80.00	20.00
Closing balances	351.02	397.52

Ageing Schedule**As at 31st March 2025**

Particulars	Amount in WIP for a period of				
	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Project in progress	33.50	-		317.52	351.02
Projects suspended	-	-	-	-	-

As at 31st March 2024

Particulars	Amount in WIP for a period of				
	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Project in progress	-	-	45.00	352.52	397.52
Projects suspended	-	-	-	-	-

Note 3 : Non Current Investments

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Investment in other companies		
1. Investment in Business Correspondent Resource Council (BCRC) (A company registered under Section 8 of the Companies Act, 2013) 10,000 equity shares of Rs. 10/- each	1.00	1.00
Aggregate value of Unquoted investments	1.00	1.00

Note : 4 Trade Receivables (Non Current)

Particulars	As at 31.03.2025	As at 31.03.2024
Secured, Considered Good (Receivable from govt. Parties and Others)		-
UnSecured, Considered Good (more than six months) (Receivable from govt. Parties and Others)	1,465.68	1,520.78
Total	1,465.68	1,520.78

Confirmation of balances / Reconciliation: The reconciliation of balances with debtors, creditors etc., has been carrying out from time to time with the confirmation of balances from the parties.

Outstanding for the following periods**As at 31st March 2025**

Particulars	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed trade receivables	-	-		-	928.08	928.08
Disputed trade receivables					537.60	537.60
Total	-	-	-	-	1,465.68	1,465.68

As at 31st March 2024

Particulars	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed trade receivables	-	-		49.73	933.45	983.18
Disputed trade receivables					537.60	537.60
Total	-	-	-	49.73	1,471.05	1,520.78

Note 5 : Other Non Current Assets

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Capital Advances	287.97	291.97
Deposits * (Unsecured Considered good)	17.65	5.86
Total	305.62	297.83

Note : 6 Inventory

Particulars	As at 31.03.2025	As at 31.03.2024
Inventories and Project WIP (valued at FIFO)	75.02	191.78
Total	75.02	191.78

Note : 7 Trade Receivables

Particulars	As at 31.03.2025	As at 31.03.2024
Secured, Considered Good (Receivable from govt. Parties and Others)	4,420.98	3,185.88
UnSecured, Considered Good (Receivable from govt. Parties and Others)		-
Total	4,420.98	3,185.88

Outstanding for the following periods**As at 31st March 2025**

Particulars	< 6 months	6 months - 1 year	1 - 2 years	2 -3 years	> 3 years	Total
Undisputed trade receivables	3,645.32	-		-		3,645.32
Disputed trade receivables				-		-
Unbilled dues	775.66					775.66
Total	4,420.98	-	-	-	-	4,420.98

As at 31st March 2024

Particulars	< 6 months	6 months - 1 year	1 - 2 years	2 -3 years	> 3 years	Total
Undisputed trade receivables	3,060.40	-		-	-	3,060.40
Disputed trade receivables	-			-	-	-
Unbilled dues	125.48					125.48
Total	3,185.88	-	-	-	-	3,185.88

Note : 8 Cash and Cash Equivalents

Particulars	As at 31.03.2025	As at 31.03.2024
Balance with Bank	103.96	47.29
Cash on Hand	226.09	182.68
Total	330.05	229.97

Note 9 : Bank Balances Other than above

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Balance with Bank (Margin Money Deposits)	164.00	154.00
Total	164.00	154.00

Note : 10 Other Current Assets

Particulars	As at 31.03.2025	As at 31.03.2024
Advances otherthan Capital Advances		
BC Bank Accounts	638.82	486.32
Less: CSP Deposits	-638.82	(486.32)
Other current assets / Advances	8,891.10	8,601.47
Total	8,891.10	8,601.47

Note : 11 Notes to Equity**A Equity Share Capital**

Particulars	As at 31.03.2025		As at 31.03.2024	
	No.	Rs. Lakhs	No.	Rs. Lakhs
Authorised				
Equity Shares of Rs.10 Each	32,000,000	3,200.00	30,000,000	3,000.00
Total		3,200.00		3,000.00
Issued, Subscribed & paid up				
Equity shares of Rs.10 Each	23,218,700	2,321.87	22,925,000	2,292.50
Total		2,321.87		2,292.50

B Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2025		As at 31.03.2024	
	No.	Rs. Lakhs	No.	Rs. Lakhs
Shares outstanding at the beginning of the year	22,925,000	2,292.50	22,925,000	2,292.50
Shares issued during the year	293,700	29.37	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	23,218,700	2,321.87	22,925,000	2,292.50

C Terms/rights attached to equity shares, including restrictions on distribution of dividends and the repayment of capital

The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each

Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year, the company has issued 7938000 share warrants to be converted at the price of Rs. 63/- per share. Of which, 293700 warrants have been converted by issue of 293700 shares @ Rs. 10/- per share (face value) and premium of Rs. 53/- per share.

D Shares in the Company held by each share holder holding more than 5 percent shares specifying the number of shares

Rs. In lakhs

Name of Share Holder	As at 31.03.2025		As at 31.03.2024	
	No of Shares Held	% of holding	No of Shares Held	% of holding
J. MURALI KRISHNA	4,598,712	19.81%	4,598,712	20.06%
J.S.R. DURGA PRASAD	3,584,960	15.44%	3,584,960	15.64%

E Equity shares held by promoters at the end of the year

Name of Share Holder	As at 31.03.2025		As at 31.03.2024	
	No of Shares Held	% of holding	No of Shares Held	% of holding
J. MURALI KRISHNA	4,598,712	19.81%	4,598,712	20.06%
J.S.R. DURGA PRASAD	3,584,960	15.44%	3,584,960	15.64%
J. SUJATHA	65,607	0.28%	65,607	0.29%

Note : 12 Other Equity

Particulars	As at 31.03.2025	As at 31.03.2024
Other Reserves		
Capital Reserve	106.67	106.67
Securities Premium	3,301.41	3,145.75
Equity share warrant money Forfeited*	129.19	129.19
Equity share warrant money	1,204.00	
Surplus		
Opening Balances	7,616.47	7,044.35
Add: Profit during the Year	841.44	730.91
Less: Dividend for Financial Year 2022-23	-	137.55
Less: Dividend for Financial Year 2023-24	171.94	-
Less: CSR expenditure	26.00	21.20
Less: Prior period	491.49	
Closing Balances	7,768.48	7,616.52
Total	12,509.75	10,998.13

Note : 13 Borrowings (Non Current)

Particulars	As at 31.03.2025	As at 31.03.2024
Vehicle Loan*	6.16	9.62
(secured by Hypothication of the Vehicles)		
Orix Leasing & Financial Services India Ltd	254.25	98.35
(secured by Hypothication of the equipment)		
Total	260.41	107.97

Secured long term borrowings represent the amounts received from Banks/NBFCs as summarised below

Lender Name	Orix Leasing & Financial Services Pvt Ltd		
Rate of Interest	12.5% p.a.		
Security	Equipment purchased		
Terms of Repayment	Loan 1: 24 monthly instalments commencing from May 2024 Loan 2: 24 monthly instalments commencing from Aug 2024		
Amount Overdue	NIL		

Lender Name	Orix Leasing & Financial Services Pvt Ltd			
Nature	Leased Asset			
Lease Term	3 Years			
Right of Use Asset	Gross Value	Depreciation	Net Value as on 31.03.2025	
(in lakhs)	223.32	12.41	210.92	
Lease Liability	Gross Value	Finance Cost	Lease Rental	Net Value as on 31.03.2025
(in lakhs)	223.32	2.88	14.37	211.83

Note : 14 Deferred Tax Liabilities (Net)

Particulars	As at 31.03.2025	As at 31.03.2024
Opening Balance	327.46	413.50
Add or (Less):Charge during the Year	16.21	(86.05)
Total	343.67	327.46

Note : 15 Other Non Current Liabilities

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
CSP and Other Deposits	749.32	335.42
Others	358.74	305.06
Total	1,108.06	640.48

Note : 16 Current Liabilities - Borrowings

Particulars	As at 31.03.2025	As at 31.03.2024
Borrowing - Axis Bank	-	51.02
Total	-	51.02

Note : 17 Trade Payables

Particulars	As at 31.03.2025	As at 31.03.2024
Trade Payables	475.97	580.74
Total	475.97	580.74

Outstanding for the following periods**As at 31st March 2025**

Particulars	< 1 year	1 - 2 years	2 -3 years	> 3 years	Total
Undisputed trade payables	367.82	108.15	-	-	475.97
Disputed trade payables	-	-	-	-	-
Unbilled dues	-	-	-	-	-
Total	367.82	108.15	-	-	475.97

As at 31st March 2024

Particulars	< 1 year	1 - 2 years	2 -3 years	> 3 years	Total
Undisputed trade payables	475.11	105.63	-	-	580.74
Disputed trade payables	-	-	-	-	-
Unbilled dues	-	-	-	-	-
Total	475.11	105.63	-	-	580.74

Note : 18 Other Current Liabilities

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Expenses payable	756.49	1,069.39
Current maturities of Long Term Debt	209.02	77.27
Unpaid Dividend	40.12	34.88
Taxes and Duties	408.92	414.58
Total	1,414.55	1,596.11

Note : 19 Current Tax Liability

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Provision for the year	276.93	364.23
Less:TDS & TCS	264.04	265.83
Total	12.90	98.40

| NOTES TO PROFIT & LOSS ACCOUNT (CONSOLIDATED)**Note : 20 Revenue From Operations**

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Sales	31.15	202.68
Services	10,547.57	8,467.75
Total	10,578.72	8,670.42

Note : 21 Other Income

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Interest Income	13.19	7.76
Other Non Operating Income	1.13	0.97
Total	14.32	8.73

Note : 22 Project Expenses

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Project Expenses	7,258.68	4,860.92
Total	7,258.68	4,860.92

Note : 23 Cost of Material

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Opening Inventory	191.78	96.92
Add: Purchases (Net)	45.56	424.21
Add: Cost of materials consumed in IoT	-	-
Total	237.34	521.13
Less: Closing Inventory	75.02	191.78
Less: WIP (PROJECTS)	116.76	-
Total	45.56	329.36

Note : 24 Employee Benefit Expenses

Rs. In lakhs

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Salaries and Wages	1,328.61	1,453.47
Total	1,328.61	1,453.47

The company has taken policy for group gratuity scheme with Life insurance Corporation of India and making premium contributions towards Gratuity and Pension liability as intimated from time to time. The Company does not possess the data relating to actuarial valuation made by the Trust for the year and correspondingly does not have any actuarial valuation provision in the financial statement against such employee benefits.

Note : 25 Finance Cost

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Interest -Others	114.70	18.47
Interest on Vehicle Loan	1.01	1.31
Total	115.71	19.78

Note : 26 Adminstrative and Marketing Expenses

Particulars	for the year ended 31.03.2025	for the year ended 31.03.2024
Audit Fee	4	3.92
Business Development and Marketing	-	1.69
Bank charges	2.17	2.07
Consultancy & Professional charges	46.67	23.89
Telephone & Internet, web server maintenance etc.,	17.94	15.14
Miscellaneous	1.35	0.32
Meeting Expenses	-	2.23
Printing and Stationery	1.84	4.22
Insurance	46.69	73.18
Rent	58.37	50.22
Repairs and maintenance	18.59	11.64
Share Services Charges	19.12	8.04
Travelling and Conveyance	59.55	49.95
Office Maintenance	107.24	110.93
GST paid	0.05	-
Total	383.44	357.44

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

Note: 27 Earnings per Share

Rs. In lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
Numerator for EPS		
Net Profit after tax (Rs. Lacs) (A)	841.31	788.98
Weighted Average no. of Shares considered for Denominator for Basic EPS (Rs. Lacs) (B)*	232.19	229.25
Basic and diluted Earnings Per Share (Rs.) (A) / (B)	3.62	3.44

Note: 28 Related Party Disclosures

1. Related Parties Where Control Exits

Company	Type of Relation
VSL Data Systems Private Limited	Wholly owned subsidiary
Vedavaag Edutech Private Limited	Wholly owned subsidiary
Vedavag Common Service Centers Private Limited	Wholly owned subsidiary
Vedavaag Financial Services Private Limited	Wholly owned subsidiary
Vedavaag Kiya E Commerce Private Limited	Subsidiary

2. Key Management Personnel

- a. J. Murali Krishna : Managing Director
- b. T B Krishna Mohan : CFO
- c. Ivaturi Sai Teja : Company Secretary & Compliance officer

3. Related Party transactions during the year

Nature of transactions	Name of Entity	2024-25	2023-24
Advances to Subsidiaries	VSL Data Systems Private Limited	1099.25	-125.00
	Vedavaag Edutech Private Limited	109.35	55.37
	Vedavag Common Service Centers Private Limited	43.60	8.52
	Vedavaag Financial Services Private Limited	0.84	0.02
	Vedavaag Kiya E Commerce Private Limited	0.00	0.00

4. Remuneration of key managerial personnel:

Rs. In lakhs

Particulars of remuneration	For the year ended	
	31 March 2025	31 March 2024
Short term employee benefits	Rs. 62.85 lakhs	Rs. 49.50 lakhs

The above post-employment benefits exclude gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

5. Outstanding balances:

Rs. In lacs

Description	Company	2024-25	2023-24
Equity Investment in Subsidiaries	VSL Data Systems Private Limited	1400.00	1400.00
	Vedavaag Edutech Private Limited	1.00	1.00
	Vedavag Common Service Centres Private Limited	1.00	1.00
	Vedavaag Financial Services Private Limited	1.00	1.00
Preference Shares Investment in Subsidiaries	VSL Data Systems Private Limited	400.00	400.00
Advance to subsidiaries	VSL Data Systems Private Limited	1511.60	412.35
	Vedavaag Edutech Private Limited	417.51	308.16
	Vedavag Common Services Centers Private Limited	288.79	245.19
	Vedavaag Financial Services Private Limited	0.49	-0.34
	Vedavaag Kiya E Commerce Private Limited	2.47	2.47

Note: 29 Contingent liabilities

The Company has submitted Performance Bank Guarantees worth of Rs.70.00 lakhs. The BGs were obtained against 100% margin money from various banks for Financial Inclusion projects.

Note: 30 Corporate social responsibility

In accordance with section 135(5) of the Companies Act, 2013, the CSR expenditure for the year was Rs. 17.96 lakhs and the CSR expenditure incurred was Rs. 26 lakhs resulting in surplus of Rs.8.04 lakhs which can be adjusted against the CSR liability for the next three financial years.

Note: 31 Disclosures pertaining to SEBI (listing obligations & disclosure requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013**Outstanding position of the Investment:**

Entity	As at 31-03-2024	Allotment/purchases during the year	Sold during the year	As at 31-03-2025
Business Correspondent Resource Council (BCRC), a company registered under Section 8 of the Companies Act, 2013	1,00,000	-	-	1,00,000

Note: 32 Analytical Ratios

Ratio	Numerator	Denominator	Current Period	Previous period	% variance	Reasons for variance
Current ratio	Current assets	Current liabilities	7.29	5.31	37%	Decrease in current liabilities resulted in variance
Debt – equity ratio	Total Debt	Shareholders' equity	0.09	0.06	64%	Increase in the ratio is on account of increase in the long-term liabilities during the year.
Debt Service Coverage ratio	Earnings available for debt service	Debt service	5.25	2.37	122%	Increase in sources and decrease in application resulted in improvement in ratio.
Return on Equity (ROE)	Net profit after taxes	Shareholders' equity	5.67	5.94	0%	
Inventory Turnover ratio	Sales	Closing Inventory	141.02	45.21	212%	Increase in turnover and decrease in Inventory resulted in variance
Trade Receivable Turnover ratio	Sales	Closing trade receivables	2.39	2.72	-12%	
Trade Payables Turnover ratio	Credit purchases	Closing trade payables	-	-	0%	
Net Capital turnover ratio	Sales	Working capital	0.88	0.86	2%	
Net profit ratio	Profit after tax	Total income	7.94%	9.09%	-13%	
Return on Capital employed	Earnings before interest and taxes	Capital employed	0.08	0.07	8%	
Return on investment	Realised gain on investment	Investment value	-	-	-	

Reason for variance is given for ratios having % change more than 25%.

Note: 33 Benami Property

There are no proceedings initiated or pending against the company as at 31st March 2025, under Prohibition of Benami Property Transaction Act, 1988 (as amended in 2016).

Note: 34 Wilful Defaulter

The company is not declared a wilful defaulter by any bank or financial institution or other lender.

Note: 35 Undisclosed incomes

The company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search, survey or any other relevant provisions of the Income Tax Act, 1961).

Note: 36

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note: 37 Struck off companies

The company has not entered into any transaction with the companies struck off as per section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

Previous figures have been regrouped wherever necessary to confirm to current years classification.

For PARY & CO

Chartered Accountants
(Firm's Registration No.007288C)

Sd/-
(Jyothsna Tera)
Partner
M.No.259810

Place: Hyderabad
Date: 30/5/2025
UDIN No. 25259810BMKYRL2402

For & on behalf of the Board of Directors

Sd/-
J Murali Krishna
Managing Director
DIN: 00016054

Sd/-
T B Krishna Mohan
CFO

Sd/-
J Sujatha
Director
DIN: 07014640

Sd/-
Ivaturi Saiteja
Company Secretary

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L72200TG1998PLC029240

Name of the company: VEDAVAAG SYSTEMS LIMITED

Registered office: 1-89/G/113 NR, 3rd Floor Park View, Gafoor Nagar,
Madhapur, Hyderabad, Shaikpet, Telangana, India, 500081

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of shares of the above-named company, hereby appoint:

1. Name:

Address:

E-mail Id:

Signature:, or failing him

2. Name:

Address:

E-mail Id:

Signature:, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company, to be held on Monday, September 29, 2025 at 09:30 A.M at Surana Auditorium, The Federation of Telangana Chamber of Commerce and Industry, Red Hills (FTCCI), Hyderabad - 500004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025.
2. DECLARATION OF FINAL DIVIDEND ON EQUITY SHARES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025
3. RE-APPOINTMENT OF MRS. SUJATA JONNAVITTULA (DIN: 07014640), AS DIRECTOR OF THE COMPANY
4. TO CONSIDER AND APPROVE APPOINTMENT OF SECRETARIAL AUDITORS OF THE COMPANY
5. TO CONSIDER AND APPROVE APPOINTMENT OF MR. SUBRAMANYAM SRIPATI PANDITARADHYULA VENKATA MALLIKARJUNA (DIN: 05107840) AS INDEPENDENT DIRECTOR OF THE COMPANY

Signed this..... day of..... 20.....

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

27TH ANNUAL GENERAL MEETING, MONDAY SEPTEMBER 29, 2025, AT 09.30 A.M

Regd. Folio No: _____ /DP ID/ _____ Client ID/Ben A/C _____

No. of shares held _____

I hereby confirm/certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and here by record my presence at the 27th Annual General Meeting of the Company on Monday September 29, 2025, at 09.30 A.M at Federation of Telangana Chambers of Commerce and Industry (Formerly Known as FAPCCI), Red Hills, Hyderabad – 500004.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: No Additional / Duplicate Attendance Slip will be issued at the Meeting Hall.



Grampanchayat camp – Tagarapuvalasa – Andhra Pradesh



Corporate Conclave 2024 – Shimla



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