



MAGELLANIC**CLOUD**

ANNUAL REPORT

2022

GENERAL INFORMATION

Board of Directors and KMP

Managing Director: Mr. Jagan Mohan Reddy Thumma

Managing Director designated as Global CEO: Mr. Joseph Sudheer Reddy Thumma

Non-Executive, Independent Director: Miss. Nikitha Tiparnapally

Non-Executive, Independent Director: Mr. Elisha Thatisetty

Executive, Non-Independent Director: Mr. Carwin Heierman

Non-Executive, Independent Director: Mr. Robert Alan Forbes Jr.,

Chief Financial Officer: Sanjay Mahendra Chauhan

Company Secretary & Compliance Officer: Mr. Sadhu J. Shetty (Up to 15.04.2022), Mr. Sameer Lalwani (w.e.f. 19.04.2022)

Statutory Auditors

M/s. D. Kothary & Co

Chartered Accountant

102, Ameya House, Next to Azad Nagar Metro Stn Andheri West, Mumbai – 400058.

Tel +91 (22) 6865 1162

E-Mail: info@dkothary.com

Internal Auditor

M/s. Prajwal Poojari & Associates, Chartered, Accountant

Bankers

ICICI Bank Mumbai & Hyderabad Branch

Registered Office (w.e.f. 30/06/2021)

101, Veena Royal, Shankar Lane, Kandiwali (west), Mumbai, Maharashtra, India - 400067.

E-Mail: compliance@magellanic-cloud.com

Website: www.magellanic-cloud.com

Registrar and Share Transfer Agent

M/s. Niche Technologies Pvt. Ltd

3A Auckland Place, 7th Floor,

Room No. 7A & 7B, Kolkata,

West Bengal - 700017, India

Phone: 033 - 2280 6616/17/19

FAX: 033 - 2280 6619

E-mail: nichetechpl@nichetechpl.com

MANAGEMENT NOTE



Dear Shareholders,

The continued IT sector upswing saw the Company scaling its business, by way acquisitions.

The most significant of these is the acquisition of:

IVIS International Private Limited, for a total consideration of consideration approximate of INR. INR 291,03,00,000 (Indian National Rupees Two Hundred Ninety One Crores, Three Lakhs Only) subject to closing adjustments based on Share Purchase Agreement and

Provigil Surveillance Limited, for a total consideration of approximate of INR 35,97,00,000, (Indian National Rupees Thirty-Five Crores, Ninety Seven Lacs Only) subject to closing adjustments based on Share Purchase Agreement

The above acquisition is expected to provide significant opportunity for a Company to develop a IT sector in the next few years that will leverage synergies with the shared infrastructure of the Company in that area.

The Company has also is in process to built up the new Business activities such as to develop, provide, undertake, design, import, export, distribute and deal in Systems and application software for microprocessor based information systems, off shore software development projects, internet service provider, and solutions in all areas of application including those in Emerging niche segments like Internet and Intranet website applications solutions software enterprise, resource planning, e-commerce, value added products, Remotely Piloted Aircraft System (RPAS) like Drones and others, Metaverse Technologies such as Virtual reality (VR), augmented reality (AR) and Internet of Things (IoT) technologies.

Mcloud continues to invest significantly in new technologies for digital transformation, with the objective to render a more agile organization that better responds to changing market dynamics and to make our businesses more resilient.

The pandemic has acted as a catalyst for accelerating our digital transformation efforts across various spheres of our business to ensure workforce safety, business continuity, sustainability and agile decision-making.

STAY SAFE

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the Members of Magellanic Cloud Limited (Formerly known as South India Projects Ltd) will be held on Wednesday, August 10, 2022, at 11:00 A.M. (IST) through Video Conference (VC) Meeting to transact the following business(es):



ORDINARY BUSINESS:

1. Adoption of Accounts – Standalone and Consolidated

To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and Auditor's thereon.

2. Declaration of Dividend

To declare Dividend of ₹Re. 0.50 per share (i.e., 5% on face value) per Equity share of face value of ₹10/- each fully paid-up of the Company for the financial year ended March 31, 2022.

3. Appointment of a Director retiring by rotation

To appoint a director in place of Mr. Joseph Sudheer Reddy Thumma [DIN: 07033919], who retires by rotation, and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company be, and is hereby accorded to the re-appointment of Mr. Joseph Sudheer Reddy Thumma [DIN: 07033919], as a Director, to the extent that he is required to retire by rotation."

4. Appointment of M/s. Bhuta Shah & Co. LLP, Chartered Accountants (Firm Registration No. 101474W/W100100) as anew Statutory Auditor in place of M/s. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W)

To consider and approve the appointment of new Statutory Auditors of the Company to hold office for a period of Five years until the conclusion of the 45th Annual General Meeting and to fix their remuneration and to pass with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT, in accordance with the provisions of Sections 139, 140, 141 and 142 of the Companies Act, 2013, M/s. Bhuta Shah & Co. LLP, Chartered Accountants (Firm Registration No. 101474W/W100100), be and are hereby appointed as the new Statutory Auditors of the Company from the conclusion of this Annual General Meeting to hold such office for a period of five years till the conclusion of the 45th Annual General Meeting, to conduct the audit for the financial year 2022-23 at a remuneration as may be decided by the committee/board."

SPECIAL BUSINESS

5. Re-appointment of Mr. Jagan Mohan Reddy Thumma [DIN: 06554945] as the Managing Director:

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), recommendation by Nomination and Remuneration Committee, approval of the Members be and is hereby accords its approval to the re-appointment of Mr. Jagan Mohan Reddy Thumma [DIN: 06554945] as the Managing Director for a further period of 5 years w.e.f. 1st October, 2021 (From 01.10.2021 to 30.09.2026) on the remuneration and on such terms and conditions as set out below with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time within the scope of Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof as may be agreed to between the Board of Directors and Mr. Jagan Mohan Reddy Thumma."

Remuneration: Up to maximum of INR 12 lakhs per annum or such higher amount as may be decided by the Board of Directors of the Company from time to time.

The Whole-time Director shall be entitled to use the company's car, all the expenses for maintenance and running of the same including the salary of Driver to be borne by the Company.

Reimbursement of any other expenses properly incurred by him in accordance with rules of the Company.

Reimbursement of Medical Expenses & LTC as per the rules of the Company.

Other perquisites, allowances, benefits and amenities as per the service rules of the Company as applicable from time to time.

"FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Mr. Jagan Mohan Reddy Thumma [DIN: 06554945], in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit, subject to the limits prescribed herein and in Schedule V of the Companies Act, 2013.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. To approve the authority of the Board of Directors for making donation to charitable and other funds and in this regard to consider and if thought fit to pass the following resolution as an ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 181 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of members of the Company be and is hereby accorded to the Board of Directors of the Company (herein referred to as 'the Board' which shall deem to include any committees thereof) to contribute and/or donate, from time to time, to bona fide charitable and other funds, amounts not exceeding in aggregate to all such funds taken together up to a sum of INR 25,00,000/- (Indian Rupees Twenty Five Lakhs only) during any Financial Year of the Company."

"RESOLVED FURTHER THAT any of the previous acts, deeds, actions done / performed / accomplished by the Company as mentioned in Section 181 of the Companies Act, 2013 (i.e. contribution/ donation to bona fide charitable and other funds) be and are hereby ratified by members of the Company."

7. To approve the borrowing limits and in this regard to consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of all earlier resolution passed by the Shareholders of the Company and pursuant to Section 180 (1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Memorandum and Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, for the purpose of the Company's business, such sum or sums of money, as they in their absolute discretion think fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company and remaining outstanding shall be in excess of the aggregate of the paid-up

share capital and free reserves, but not exceeding INR 800,00,00,000 (Indian Rupees Eight Hundred Crores only) over and above the paid up share capital and free reserves for the time being of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/or any member of such Committee."

8. To creation of charge on assets of the Company and in this regard to consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of all the earlier resolution passed by the Shareholders of the Company and pursuant to Section 180 (1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situated, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding INR 800,00,00,000/- (Indian Rupees Eight Hundred Crores only).

RESOLVED FURTHER THAT the Board of Directors or such Committee or person/(s) as may be authorized by the Board be and is hereby authorized to finalize the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of immovable and / or movable properties of the Company on such terms and conditions and at such time(s) / tranche(s) as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution."

9. To approval of limits for making an investments, giving Loans and guarantees or providing securities under companies Act, 2013 and in this regard to consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of Articles of Association of the Company and subject to further approval of statutory and other authorities as may be necessary and subject to such terms, conditions, stipulations, alterations, and modifications, if any, as may be prescribed and specified by such authorities while granting such approvals and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the 'Board' which expression shall include a Committee of directors duly authorized in this behalf), the consent of the Company be and is hereby accorded to the Board of Directors of the Company to make an investments, giving Loans and guarantees or providing securities, which may exceed 60% of the aggregate of the paid-up share capital and free reserves and/or 100% of the aggregate of free reserves of the Company as per the limits prescribed under Section 186, subject to the maximum aggregate amount not exceeding INR 800,00,00,000/- (Indian Rupees Eight Hundred Crores only).

RESOLVED FURTHER Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds and things as may deemed expedient and necessary to give effect to this resolution for and on behalf of the Company."

10. Change in Registered office from one state to another:

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

"RESOLVED THAT pursuant to the provisions of Section 12, 13 and other applicable provisions. If any, of Companies Act. 2013 read with the Rule 30 of the Companies (Incorporation) Rules 2014 (including any statutory modification or amendment thereto or re-enactment thereof For the time being in force), subject to relevant provision of Articles of Association of the Company and further subject to the approval of Central Government and other authority(ies), if required, the consent of the Shareholders of the Company be and is hereby accorded for shifting of the Registered Office of Magellanic Cloud Ltd from its existing address at 101, Veena Royal, Shankar Lane, Kandivali (west), Mumbai, Maharashtra, India - 400067, in the State of Maharashtra to the State of Telangana and Clause II of the Memorandum of Association of the Company be deleted and in place thereof the following new Clause II be substituted:

II. The registered office of the Company will be situated in the state of Telangana

"RESOLVED FURTHER THAT the Directors/Company Secretary (if any) of the Company be and is hereby authorized to take all such steps as may be deemed expedient by him to give effect to the resolution for and on behalf of the Company and further to make an application(s)/ petition(s) for the shifting of Registered Office of the Company to the Central Government and other authority(ies) and to sign all necessary applications, documents, forms as may be necessary in this regard and to take necessary actions / steps to give effect of the above resolution, for and on behalf of the Company."

11. Approval for Sale of two food business divisions of the Company by way of slump sale and proposal to making it as 100% Subsidiary in this regard to consider and if thought fit to pass the following resolution as a Special Resolution:

"**RESOLVED THAT**, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / dispose off its two food business Unit together with all specified tangible and intangible assets, including land, personnel / employees, plant and machinery and other assets in relation to the Undertaking , as a going concern / on a slump sale basis on an "as is where is" basis or in any other manner as the Board may deem fit in the interest of the Company, for a consideration of not exceeding INR 5 Crores and on such other terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/documents, arranging delivery and execution of contracts, deeds, agreements and instruments."

By Order of the Board of Directors

Jagan Mohan Reddy Thumma
Managing Director
[DIN: 06554945]

Registered Office:

101, Veena Royal, Shankar Lane, Kandiwali
(west), Mumbai, Maharashtra, India - 400067.

Dated:14/07/2022



1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India ("MCA") issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021 and 21/2021 dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January 2021, 8th December 2021, 14th December 2021 and 5th May, 2022, respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing/Other Audio-Visual Means ("VC / OAVM") facility on or before 31st December 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 41st AGM of the Company is being conducted through VC / OAVM facility, which does not require physical presence of Members at a common venue. Electronic copy of the Annual Report for the financial year 2022 is being sent to all the members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their e-mail address, hard copies of the Annual Report for the financial year 2022 are being sent in the permitted mode. In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2022 and Notice of the 41st AGM of the Company, may send request to the Company's e-mail address at compliance@magellanic-cloud.com mentioning Folio No./DP ID and Client ID.

2. Pursuant to the provisions of the Act, 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 need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.

3. The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under Item No. 4 to 9 of the Notice, are annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

4. Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, August 04, 2022, to Wednesday, August 10, 2022 (both days inclusive).

5. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents- M/s. Niche Technologies Pvt. Ltd for assistance in this regard.

6. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.

7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number(PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case

the shares are held in electronic form and to M/s. NICHE TECHNOLOGIES PRIVATE LIMITED, Unit: Magellanic Cloud Limited. (Share Transfer Agent) at 3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata 700 01, West Bengal. Tel: 033- 2280 6616/17/18; Fax: 033-2280 6616, Web Site:www.nichetechpl.com, e-mail: nichetechpl@nichetechpl.com in case the shares are held in physical form.

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

9. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/Claimants whose shares, unclaimed dividend, and debenture interest amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5(available on www.iepf.gov.in). The Member/Claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules. Members are requested to contact the Company's Registrar and Share Transfer Agent to claim the unclaimed/ unpaid dividends at the following address: M/s. Niche Technologies Private Limited.

10. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.

11. Updation of Members' Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/ Registrar and Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing these additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled-in form to the Company or to its Registrar and Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant.

12. Nomination Facility: As per the provisions of Section 72of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Mr. Sameer Lalwani (Company Secretary & Compliance Officer) at compliance@magellanic-cloud.com.

14. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2021-22 will also be available on the Company's website at www.magellanic-cloud.com,on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of Depository.

15. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under-section 103 of the Act.

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

Instructions for Voting through electronics means:

In compliance with Regulation 44, SEBI Listing Obligation and Disclosure Requirements, 2015 as amended from time to time, provisions of Section 108 and other applicable provisions of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 41st Annual General Meeting (AGM) by electronic means ("e-Voting") and the items of business as detailed in this Notice may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The Remote E-voting facility will commence from 9.00 AM (IST) on Sunday, August 07, 2022, and will end at 5.00 PM (IST) on Tuesday, August 09, 2022. Remote E-voting will not be allowed beyond the aforesaid date and time and the Remote E-voting module shall be disabled by CDSL upon expiry of aforesaid period.

Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member / beneficial owner as on the cut-off date i.e., Wednesday, August 03, 2022.

The Board of Directors at their meeting held on 07th July, 2022 has appointed Mr. Deep Shukla, Practicing Company Secretary (Membership No. FCS 5652) as the Scrutinizer to scrutinize the E-voting process and voting done through physical ballot paper, if any, at the AGM in a fair and transparent manner.

The Scrutinizer shall, after scrutinizing the votes cast at the AGM and through Remote E-voting, not later than 3 (three) days from the conclusion of the AGM make a consolidated Scrutinizer's report and submit the same to the Chairman of the meeting.



In order to increase the efficiency of the voting process, SEBI has decided to enable e-voting to all the demat account holders (including public non-institutional shareholders/retail shareholders) by way of a single login credentials, through their Demat accounts or websites of Depositories/Depository Participants. Demat account holder shall be able to cast their vote without having register again with the e-voting service providers.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode (Remote e-voting and e-voting at the AGM) is given below:

Type of shareholders	Login Method
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 URL for users to login to Easi/Easiest are: https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System My easi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</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 with NSDL curities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is 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</p> <p>3) 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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.

Any person who becomes a Member of the Company after sending of Annual Report and holding shares as on cut off date i.e. Wednesday, August 03, 2022 shall also follow then procedure stated herein for login details.

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

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

Instructions to corporates, institutional investors, custodians and shareholders holding shares in physical mode: (Remote e-voting and e-voting at the AGM):

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on "Shareholders" module.

Now enter your User ID

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the date of Birth as recorded in your demat account or in the company records for the said demat amount or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).

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

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

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on the EVSN for the relevant Magellanic Cloud Ltd (Formerly known as South India Projects Ltd) on which you choose to vote.

On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Facility for Non – Individual Shareholders and Custodians – Remote Voting:

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module..

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com

After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

Instructions for members for attending the AGM through video conferencing (VC) meeting, are as under



Magellanic Cloud - Annual General Meeting (AGM)

Join Zoom Meeting

<https://us02web.zoom.us/j/83410494546?pwd=ZkMwRXByT2JKQzU2eEhoWFo2Y1RpQT09>

Meeting ID: 834 1049 4546

Passcode: 787761

One tap mobile

+16694449171,,83410494546#,,,,*787761# US

+16699009128,,83410494546#,,,,*787761# US (San Jose)

Dial by your location

+1 669 444 9171 US

+1 669 900 9128 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 346 248 7799 US (Houston)

+1 646 558 8656 US (New York)

+1 646 931 3860 US

Find your local number: <https://us02web.zoom.us/j/83410494546?pwd=ZkMwRXByT2JKQzU2eEhoWFo2Y1RpQT09>



Or scan QR code and meeting will open in the ZOOM app

EXPLANATORY STATEMENT PRUSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The Members of the Company at 36th Annual General Meeting ('AGM') held on 29th September 2017 approved the appointment of M/s. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W) as the statutory auditors of the Company to hold office till the conclusion of the 41st AGM to be held in the financial year 2022. M/s. D. Kothary & Co., complete their present terms on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

By intimation dated 06th July, 2022, the Board has informed to the M/s. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W) that the Company does not wish to continue as the Auditors of the Company with effect from the conclusion of the ensuing Annual General Meeting to be held on August 10, 2022. Accordingly, their re-appointment at the ensuing 41st AGM of the Company cannot be considered by the members.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of M/s. Bhuta Shah & Co. LLP, Chartered Accountants (Firm Registration No. 101474W/W100100), for a further period of five years till the conclusion of the 45th Annual General Meeting. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of M/s. Bhuta Shah & Co. LLP, Chartered Accountants (Firm Registration No. 101474W/W100100), for the financial year 2022-23 as set out in the Resolution relating to their appointment.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Bhuta Shah & Co. LLP, Chartered Accountants (Firm Registration No. 101474W/W100100), to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. Bhuta Shah & Co. LLP, Chartered Accountants (Firm Registration No. 101474W/W100100) have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

Item Nos. 5:

Re-appointment of Mr. Jagan Mohan Reddy Thumma [DIN: 06554945] as the Managing Director:

At the meeting of the Board of Directors of the Company held on 07th July, 2022 on the recommendation of the Nomination and Remuneration Committee, Mr. Jagan Mohan Reddy Thumma [DIN: 06554945], was re-appointed as the Managing Director designated as an Executive Director of the Company for another period of five years, w.e.f. 1st October, 2021 (From 01.10.2021 to 30.09.2026) on the terms of remuneration mentioned herein below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Act or any statutory amendment or relaxation thereof:

- i. Remuneration: Up to maximum of INR 12 lakhs per annum or such higher amount as may be decided by the Board of Directors of the Company from time to time.
- ii. The Managing Director shall be entitled to use the company's car, all the expenses for maintenance and running of the same including the salary of Driver to be borne by the Company.
- iii. Reimbursement of any other expenses properly incurred by him in accordance with rules of the Company.
- iv. Reimbursement of Medical Expenses & LTC as per the rules of the Company.
- v. Other perquisites, allowances, benefits and amenities as per the service rules of the Company as applicable from time to time.

A brief resume of Mr. Jagan Mohan Reddy Thumma is provided in the annexure to the Notice. This resolution is being proposed as a special resolution in view of the relevant provisions of Schedule V to the Act requiring a special resolution for payment of minimum remuneration in the event of loss or inadequacy of profits.

Mr. Jagan Mohan Reddy Thumma is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment. Relatives of Mr. Jagan Mohan Reddy Thumma may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the special resolution set out in Item No. 5 for approval by shareholders.

Item No. 6

The Company, as a corporate citizen, believes in Corporate Social Responsibility (hereinafter referred as "CSR") activities in various areas. As per Section 181 of the Companies Act, 2013, the Board of Directors of the Company can contribute to bona fide charitable and other funds, any amount the aggregate of which, in any financial year shall not exceed 5% of its average net profits for the three immediately preceding financial years.

In order to commence CSR activities, some contributions / expenditure may come under the purview of Section 181 of the Companies Act, 2013.

In view of unavailability of sufficient profits, the consent of the members is sought to enable the Company to commence with CSR activities. The Board recommend the resolution under item no. 6 to be passed as an ordinary resolution by the members.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.6 of the Notice.

Item No. 7:

Your Board of Directors is of the opinion that for any future business expansion or diversification which may be carried out by the Company, the Company requires infusion of additional funds. Hence, the requirement for mobilization of the funds has been substantially increased. Therefore, it is considered desirable to increase the Board's borrowing powers up to the limit of INR 800 Crores over and above the paid-up share capital and free reserves of the Company.

Accordingly, the consent of the Shareholders at the General Meeting is sought under Section 180 (1) (c) of the Companies Act, 2013.

Your directors recommend passing the above resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the Special Resolution set out at item no. 7 of the Notice.

Item No. 8:

The Company may borrow monies by way of debentures, bonds, loans, hire purchase finance either in rupee or in foreign currency from Financial Institutions / Banks / Insurance Companies and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and / or charge on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees. To create mortgage and / or charge up to the limit of INR 800 Crores, approval of the Members is required to be obtained pursuant to Section 180 (1)(a) of the Companies Act, 2013 authorizing the Board of Directors of the Company in this regard. Hence the resolution is placed before the Members for their approval.

Your Directors recommend passing the above resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the Special Resolution set out at item no. 8 of the Notice.

Item No. 9:

The Board of Directors of your Company wishes to inform the Members that your Board has recommended for seeking approval of the Members of the Company to make investments, provide security and give guarantees up to a limit of INR 800 Crores in any identified Body Corporate as may be benchmarked by the Board of Directors in the best interest of the shareholders of the Company.

Your approval for the said special resolution is sought as the said limit exceeds the prescribed limit of 60% of the aggregate of the paid-up share capital and free reserves and/or 100% of the aggregate of free reserves of the Company as provided under Section 186 of the Companies Act, 2013.

The Board of Directors of the Company accordingly recommends the said special resolution for approval of members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the Special Resolution set out at item no. 9 of the Notice.

Item No. 10:

Change in Registered office from one state to another:

Presently, the Company's Registered Office is located in the State of Maharashtra. The Board of Directors of your Company at their meeting held on 07th July, 2022 has decided to shift the Registered Office from the "State of Maharashtra" to the "State of Telangana" to carry on the business of the Company more economically and efficiently and with better operational convenience and to explore the business opportunity available in the market. Further, the Management hopes to garner more business and strengthen the financial position of the Company by venturing and exploring new markets and avenues.

Further, such proposed change in the registered office of the Company will not be prejudicial to the interest of any employees, shareholders, creditors or any other stakeholders of the Company.

As per provisions of Section 12, 13 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, such shifting of Registered Office requires the Company to alter Memorandum of Association of the Company and to obtain necessary approval of the Shareholders by way of special resolution.

None of the Director, Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution except as members of the Company.

The Board recommends the resolution set forth in Item no.10 for the approval of the members

Item No. 11:

Sale of two food business divisions of the Company by way of slump sale and propose to making it as 100% Subsidiary.

The Board has decided to sell two food business divisions of the Company and propose to making it as 100% Subsidiary of the Company the same in the overall best interest of all the stakeholders. The Board of Directors of the Company, at its meeting held on 14th July, 2022 approved the Company to sell / dispose off its with all specified tangible and intangible assets in relation to the Undertaking, on a slump sale basis as a going concern and on an "as is where is" basis for a consideration of not exceeding INR 5 Crores. The net proceeds from the sale of the Undertaking will be utilized for working capital of the Company or general business purpose.

The sale of the said Undertaking will not have any impact on the Company's existing retail business.

Closing of the Transaction is conditional inter alia upon passing of the Special Resolution by the shareholders of your Company and receipt of all the required approvals.

The Board of Directors of the Company has approved the proposal to transfer the Undertaking as above, on a going concern basis, on the terms and conditions as referred to in this Explanatory Statement.

In compliance with the applicable provisions of the Companies Act, 2013, Special Resolution as set out in the accompanying Notice is now being placed before the members for their approval. Your Directors recommend the passing of the resolution as Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the said Special Resolution.

By Order of the Board of Directors

Jagan Mohan Reddy Thumma
Managing Director
[DIN: 06554945]

Registered Office:

101, Veena Royal, Shankar Lane, Kandiwali
(west), Mumbai, Maharashtra, India - 400067.
Dated: 14th July, 2022

**Details of Directors seeking appointment / re-appointment at the Annual General Meeting
[In pursuance of Regulation 36 of the SEBI (Listing Obligations and
Disclosure Requirements), Regulations, 2015]**

Name of Director	Mr. Joseph Sudheer Reddy Thumma	Mr. Jagan Mohan Reddy Thumma
DIN	07033919	06554945
Date of Birth	07/07/1975	16/11/1977
Date of Appointment	29/12/2015	29/12/2015
Nature of Expertise	Experience of around 20 years in IT related services. He started his career at the age of 21. He worked for 4years in Social Service Society, building up computer programs. Thereafter, he worked with IBM, Singapore & New York for 4 years and National Panasonic for 2 years. Subsequently, he worked for different organizations for 7 years. In the year 2010, he acquired a small IT based product Company in USA, namely JNITH Corporation and also started IT services firm namely JNIT Technologies Inc.	He has an overall experience of around 18 years in Information Technology sector. He is working as a correspondent since 2001 and presently he is correspondent at St. Francis Institute of Management, Gagillapur, Telangana.
Qualification	Bachelor of Computer Science Engineering from Osmania University, Telangana, India	Masters of Information Technology, Sydney, Australia
Relationships between directors inter-se	Brother of Jagan Mohan Reddy Thumma	Brother of Joseph Sudheer Reddy Thumma
List of other Indian Listed Limited Companies in which Directorship held [along with listed entities from which the person has resigned in the past three years] as on March 31, 2022	Nil	Nil
Member of the Committee of Board of other Indian Listed Limited as on March 31, 2022	Nil	Nil
Shareholding of Directors (As on March 31, 2022)	1,15,77,056	23,50,000

BOARD'S REPORT

To,
The Members,
MAGELLANIC CLOUD LIMITED
(Formerly known as South India Projects Ltd)
CIN: L72100MH1981PLC339095

Your Directors have pleasure in presenting their 41st Annual Report along with the summary of standalone and consolidated financial statements for the financial year ended March 31, 2022 of Magellanic Cloud Limited ("the Company").

FINANCIAL RESULTS

The summarized financial performance of the Company for the FY 2021-22 and FY 2020-21 is given below:
[Amount in lakhs]

PARTICULARS	Standalone		Consolidated	
	2021 - 22	2020 - 21	2021 - 22	2020-21
Revenue from operations	4186.93	2735.94	25,267.76	21,194.11
Other Income	151.38	117.76	3,009.68	213.94
Total Revenue	4338.31	2853.69	28,277.44	21,408.05
Total Expenses	3896.31	2523.44	24,997.01	21,286.97
Profit/(Loss) before exceptional and extraordinary items and tax	442.00	330.25	3,280.43	121.08
Exceptional Items	-	-	-	-
Extraordinary Items	-	-	-	-
Net Profit Before Tax	442.00	330.25	3,280.43	121.08
Provision for Tax				
- Current Tax	115.00	66.00	137.96	67.41
- Deferred Tax (Liability)/Assets	13.88	13.09	(44.97)	(129.52)
- Excess/(short) provision for earlier years	24.80	4.87	241.59	4.87
Net Profit After Tax	288.31	246.29	2,945.85	178.33
Profit/(Loss) from Discontinued operations	-	-	-	-
Tax Expense of Discontinued operations	-	-	-	-
Profit/(Loss) from Discontinued operations (after tax)	-	-	-	-
Profit/(Loss) for the period	288.31	246.29	2,945.85	178.33
Other Comprehensive Income				
Items that will not be reclassified to profit or loss	(22.41)	6.64	(204.30)	75.46
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
Items that will be reclassified to profit or loss	-	-	-	-
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-

Total Comprehensive income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)	265.90	252.94	2,741.56	253.79
Earnings per equity share <i>(for continuing operation)</i> :				
Basic	1.15	0.98	11.71	0.71
Diluted	1.15	0.98	11.71	0.71

REVIEW OF OPERATIONS

Standalone:

During the year under review, the Standalone total Income was INR4338.31 Lakhs as against INR2853.69 lakhs for the corresponding previous year.

Total Comprehensive income for the period was INR265.90 lakhs as against INR252.94 lakhs in the corresponding previous year.

Consolidated:

During the year under review, the consolidated total Income was INR28,277.44 lakhs as against INR21,408.05 lakhs for the corresponding previous year.

Total Comprehensive consolidated income for the period was INR2,741.56 lakhs as against Net INR253.79 lakhs in the corresponding previous year.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account.

DIVIDEND

The Board of Directors have recommended a Dividend of Re. 0.50 per share (previous year Re. 0.50 per share) on face value of INR10/- each for the Financial Year ended March 31, 2022.

STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the year under review the Company has added new activities in their main object clause such as to develop, provide, undertake, design, import, export, distribute and deal in Systems and application software for microprocessor based information systems, off shore software development projects, internet service provider, and solutions in all areas of application including those in Emerging niche segments like Internet and Intranet website applications solutions software enterprise, resource planning, e-commerce, value added products, Remotely Piloted Aircraft System (RPAS) like Drones and others, Metaverse Technologies such as Virtual reality (VR), augmented reality (AR) and Internet of Things (IoT) technologies.

COVID-19 AND ITS IMPACT

The COVID-19 pandemic has led to the unprecedented health crisis and has disrupted economic activities and global trade while weighing on consumer sentiments. During the year under review, the nation experienced high severity and mortality of citizens brought by the second wave of the ongoing COVID-19 pandemic. With intermittent nationwide lockdowns and disruption in regular economic activities, there was price volatility of raw materials and sluggish market demand during first half of the year under review. However, the Company dealt with the pandemic by continuing to focus on operational excellence, marketing strategies, and keeping its employees and community at the core of it. The health and safety of employees and the communities in which the Company operates continue to be the foremost priority of the Company. To mitigate the risks and challenges faced by the Company during the pandemic, the Company enhanced safety and hygiene norms at offices, implemented work from home, staggered shift timings for safety of employees and leveraged digital platforms for its day-to-day operations.

KEY DEVELOPMENTS

1. Acquisition of entire stake of IVIS International Private Limited:

On 01st May, 2022, the Company had executed a Share Purchase Agreement with the IVIS International Private Limited for acquisition of the entire equity stake by way of cash consideration approximate of INR 291,03,00,000 (Indian National Rupees Two Hundred Ninety One Crores, Three Lakhs Only) subject to closing adjustments, the said acquisition was completed and became its wholly-owned subsidiary.

2. Acquisition of Provigil Surveillance Limited:

On 01st May, 2022, the Company had executed a Share Purchase Agreement with the Provigil Surveillance Limited for acquisition of the entire equity stake by way of cash consideration approximate of INR 35,97,00,000 (Indian National Rupees Thirty Five Crores, Ninety Seven Lacs Only) subject to closing adjustments, based on Share Purchase Agreement.

SHARE CAPITAL

1. Increase in Authorised Capital:

As on the date of signing of this report, the Company has increase it's authorized capital from INR 30 Crores to INR 55 Crores.

2. Preferential allotments:

The Company has allotted 29,19,316 (including 7,66,000 Equity shares on conversion of share warrants) Equity share at a price of Rs. 289.61per share on 26th April, 2022.



DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Inductions / Appointment or Re-appointment of Director / KMP:

Based on the recommendation of the Nomination and Remuneration Committee and approval of the same by the Board at its meeting held on 07th July 2022, the Managing Director viz., Mr. Jagan Mohan Reddy Thumma [DIN: 06554945] being re-appointed as the Managing Director of the company for a further period of 5 years w.e.f. October 01, 2021 (From 01.10.2021 to 30.09.2026). Resolution(s) in this behalf is set out at Item No 5 of the Notice of Annual General Meeting, for Members' approval.

During the year under review Mr. Sadhu J. Shetty has resigned from the post of Company Secretary w.e.f. April 15, 2022, and Mr. Sameer Lalwani was appointed as Company Secretary and Compliance Officer of the Company w.e.f. April 19, 2022.

Retire by Rotation

In accordance with section 152(6) of the Companies Act, 2013 and in terms of Articles of Association of the Company Mr. Joseph Sudheer Reddy Thumma [DIN: 07033919], Executive Director of the Company, retires by rotation and being eligible; offers himself for re-appointment at the forthcoming 41st Annual General Meeting. The Board recommends the said reappointment for shareholders' approval.

DISCLOSURES BY THE DIRECTORS

All the directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as directors in terms of Section 164(2) of the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Director(s) have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as Independent Director, under the provisions of section 149 of the Companies Act, 2013 as well as Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its committees. The Directors expressed satisfaction with the evaluation process.



DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have 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 and of the profit and loss of the company for that period.
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- the directors have prepared the annual accounts on a going concern basis; and
- 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.

NUMBER OF BOARD MEETINGS

A calendar of meetings is prepared and circulated in advance to the Directors During the year, 08 (Eight) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Further, Committees of the Board usually meet on the same day of formal Board Meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and noting.

COMPOSITION OF AUDIT COMMITTEE

Your Company has formed an Audit Committee as per the Companies Act, and the Listing Agreement / SEBI (LODR) Regulations, 2015. All members of the Audit Committee possess strong knowledge of accounting and financial management.

Further, the Audit Committee is functional as per the provision of Section 177 of Companies Act, 2013 and Rules made thereunder and as per Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The other details of the Audit Committee are given in the Corporate Governance Report, appearing as a separate section in this Annual Report.

COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE

Your Company has formed a Nomination & Remuneration Committee to lay down norms for determination of remuneration of the executive as well as non-executive directors and executives at all levels of the Company.

The other details of the Nomination & Remuneration Committee are given in the Corporate Governance Report, appearing as a separate section in this Annual Report.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors. This policy also lays down criteria for selection and appointment of Board Members. The Board of Directors is authorized to decide Remuneration to Executive Directors. The Remuneration structure comprises of Salary and Perquisites. Salary is paid to Executive Directors within the Salary grade approved by the Members. The Nomination & Remuneration committee has been assigned to approve and settle the remuneration package with optimum blending of monetary and non-monetary outlay.

In terms of requirements prescribed under Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Policy inter-alia providing the terms for appointment and payment of remuneration to Directors and Key Managerial Personnel.

During the year, there have been no changes to the Policy. The same is annexed to this report as Annexure I and is available on our website www.magellanic-cloud.com.

COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Board has constituted a Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders etc. The Committee reviews Shareholder's / Investor's complaints like non-receipt of Annual Report, physical transfer/ transmission/transposition, split/ consolidation of share certificates, issue of duplicate share certificates, etc. This Committee is also empowered to consider and resolve the grievance of other stakeholders of the Company including security holders.

The other details of the Stakeholders Relationship Committee are given in the Corporate Governance Report, appearing as a separate section in this Annual Report.



PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company, is enclosed as Annexure II and forms part of this Report.

Further, no employee of the Company is earning more than the limits as prescribed pursuant to Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company.

Further, the names of top ten employees in terms of remuneration drawn are disclosed in Annexure III and forms part of this Report.

ANNUAL RETURN

Pursuant to Notification dated 28th August, 2020 issued by the Ministry of Corporate Affairs as published in the Gazette of India on 28th August, 2020, the details forming part of the extract of Annual Return in Form MGT-9 is not required to be annexed herewith to this report. However, the Annual Return will be made available at the website of the Company at www.magellanic-cloud.com

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Statement AOC-1 pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 regarding Subsidiary Company is enclosed as Annexure IV to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, which gives a detailed state of affairs of the Company's operations form a part of this Annual Report as Annexure V.

STATUTORY AUDITORS' AND AUDITORS' REPORT

The Members of the Company at 36th Annual General Meeting ('AGM') held on 29th September 2017 approved the appointment of M/s. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W) as the statutory auditors of the Company to hold office till the conclusion of the 41st AGM to be held in the financial year 2022. M/s. D. Kothary & Co., complete their present terms on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

By intimation dated 06th July, 2022, the Board has informed to the M/s. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W) that the Company does not wish to continue as the Auditors of the Company with effect from the conclusion of the ensuing Annual General Meeting to be held on August 10, 2022. Accordingly, their re-appointment at the ensuing 41st AGM of the Company cannot be considered by the members.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommends the appointment of M/s. Bhuta Shah & Co. LLP,, Chartered Accountants (Firm Registration No. 101474W/W100100), for a period of five years till the conclusion of the 45th Annual General Meeting.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Bhuta Shah & Co. LLP, Chartered Accountants (Firm Registration No. 101474W/W100100), to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. Bhuta Shah & Co. LLP, Chartered Accountants (Firm Registration No. 101474W/W100100) have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

Hence, the Notice convening the ensuing 41st AGM contains a resolution of appointment of Statutory Auditors.

SECRETARIAL AUDIT

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, Mr. Deep Shukla, Practicing Company Secretary, have been appointed Secretarial Auditors of the Company. The Secretarial Audit Report is enclosed as Annexure VI to this report.

EXPLANATION(S)/ COMMENT(S) PURSUANT TO SECTION 134(3), IF ANY, OF THE COMPANIES ACT, 2013

Explanation pursuant to Section 134(3):

There are no adverse remarks/Qualifications made in Statutory Report issued by Statutory Auditor of the Company.

Explanation pursuant to Section 134(3):

1. *Website of the Company is not updated as per SEBI (LODR) Regulation, 2015;*

Reply:

The Company is in process to update the same.

2. *Non-compliance of IEPF rules, as amended*

Reply:

The Company is in process to complete the same.

ANNUAL SECRETARIAL COMPLIANCE REPORT

Mr. Deep Shukla & Associates, Practicing Company Secretaries, have been appointed to give Annual Secretarial Compliance Certificate. The Annual Compliance Certificate is enclosed as Annexure VII to this report.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls system. The Audit Committee of the Board periodically reviews the internal control systems with the management and Statutory Auditors. Significant findings are discussed, and follow-ups are taken thereon.

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

EMPLOYEES' STOCK OPTION PLAN

During the year ending 31 March 2022, shareholders of the company have passed resolution for Introduction of 'Magellanic - Employees Stock Option Plan 2022' to the eligible employees of the company up to a maximum of 15,00,000 (Fifteen Lakhs) options. However, till the date of this report, no options have been granted and hence disclosures under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014, and amended and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are not applicable for the year ending 31st March 2022.

RISK MANAGEMENT POLICY

The Company has laid down the procedure to inform the Board about the risk assessment and minimization procedures. These procedures are reviewed by the Board periodically to ensure that there is timely identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting.

The Company does not fall under the ambit of top 500 listed entities, determined on the basis of market capitalisation as at the end of the immediately preceding financial year. Hence, compliance under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

DEPOSITS

The Company has neither accepted nor renewed any fixed deposits during the year under review. There are no unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2022.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans granted and investments made by the Company under the provisions of Section 186 of the Companies Act, 2013, are provided in standalone financial statement under Note 09 under Notes forming part of financial statement.

INSURANCE

The properties/assets of the Company are adequately insured.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to discharging its social responsibility as a good corporate citizen.

During the year under review, the Company has not expended any amount towards CSR activities as the same is not applicable to the Company pursuant to section 135 of the Companies Act, 2013.

CORPORATE GOVERNANCE CERTIFICATE

We ensure that, we evolve and follow the corporate governance guidelines and best practices sincerely, not only to boost long-term shareholder value, but also to respect minority rights. We consider it our inherent responsibility to disclose timely and accurate information regarding our operations and performance, as well as the leadership and governance of the Company.

In compliance with Regulation 34(3) read with Schedule V(C) of the SEBI (LODR) Regulations, 2015, a Report on Corporate Governance forms part of this Annual Report. The Certificate as issued by Practicing Company Secretary certifying compliance with the conditions of corporate governance as prescribed under Schedule V(E) of the SEBI (LODR) Regulations, 2015, is annexed to the Corporate Governance Report as Annexure VIII.

DISCLOSURE ON COMPLIANCE WITH THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has set up an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at the workplace. There was no case of sexual harassment reported during the year under review.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

Conservation of Energy

We continue to strengthen our energy conservation efforts. We are always in lookout for energy efficient measures for operation, and value conservation of energy through usage of latest technologies for quality of services. Although the equipments used by the Company are not energy sensitive by their very nature, still the Company is making best possible efforts for conservation of energy, which assures that the computers and all other equipments to be purchased by the Company strictly adhere to environmental standards, and they make optimum utilization of energy.

Absorption of Technology

In this era of competition, in order to maintain and increase the clients and customers, we need to provide best quality services to our clients and customers at minimum cost, which is not possible without innovation, and adapting to the latest technology available in the market for providing the services.

Research and Development (R&D)

The Company believes that in order to improve the quality and standards of services, the Company has progressive Research and Development Process, which should keep on increasing along with the scale of operations of the Company.

Foreign Exchange Earnings and Outgo

During the financial year under review, there were no foreign earnings and outgo.

Particulars	F.Y 2021-2022	F.Y 2020-2021
C.I.F. Value of Imports	-	-
F.O.B. Value of Exports	15,64,72,476	14,25,39,987

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

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

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

SECRETARIAL STANDARDS

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

LISTING WITH STOCK EXCHANGE

The shares of the Company are listed on BSE only.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the Courts / Tribunals which would impact the going concern status of the Company and its future operations.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, Officers and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors, Officers and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

ACKNOWLEDGEMENT

The Directors would like to thank all shareholders, customers, bankers, suppliers and everybody else with whose help, co-operation and hard work the Company is able to achieve the results. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

For and on behalf of the Board of Directors

Jagan Mohan Reddy Thumma
Managing Director
[DIN: 06554945]

Tiparnapally Nikitha
Director
[DIN: 07399613]

Date: 07/07/2022

Registered Office:

101, Veena Royal, Shankar Lane, Kandiwali
(west), Mumbai, Maharashtra, India - 400067.

NOMINATION AND REMUNERATION POLICY - ANNEXURE - I

CONSTITUTION OF COMMITTEE

The Board of Directors of the Company (the Board) constituted the committee to be known as the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director. However, the chairperson of the company (whether executive or nonexecutive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.”

OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees.

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- To formulation of criteria for evaluation of Independent Director and the Board.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan.
- To assist the Board in fulfilling responsibilities.
- To Implement and monitor policies and processes regarding principles of corporate governance.



APPLICABILITY

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

DEFINITIONS

"Act" shall mean the Companies Act, 2013 and the Rules made thereunder, including the modifications, amendments, clarifications, circulars or re-enactment thereof.

"Board" means Board of Directors of the Company.

"Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

"Company" means Kanani Industries Limited.

"Directors" mean Directors of the Company.

"Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" means key managerial personnel as defined under the Companies Act, 2013 and includes:

- Managing Director, or Executive Director or manager and in their absence, a whole- time director; (includes Executive Chairman)
- Company Secretary;
- Chief Financial Officer; and
- Such other officer as may be prescribed.

"Policy" or **"This policy"** means Nomination and Remuneration Policy.

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.

"Senior Management" Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time shall have the meaning respectively assigned to them therein.

ROLE AND POWER OF THE COMMITTEE

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee:

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

Policy for appointment and removal of Director, KMP and Senior Management

Appointment criteria and qualifications

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term / Tenure

Managing Director/Whole-time Director

- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Evaluation

- The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

Removal

- Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

- The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

General

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required;
- The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act;
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director;
- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel

Fixed pay

- The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

Minimum Remuneration

- If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration

- If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non- Executive / Independent Director

Remuneration / Commission

- The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

Sitting Fees

- The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Commission

- Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

Stock Options

- An Independent Director shall not be entitled to any stock option of the Company.

MEMBERSHIP

- The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN

- Chairman of the Committee shall be an Independent Director;
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee;
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman;
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS' INTERESTS

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

SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

VOTING

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

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

IMPLEMENTATION

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Committee may Delegate any of its powers to one or more of its members.

AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

AMENDMENTS IN THE LAW

Any subsequent amendment/modification in the Listing Regulation and/or other applicable laws in this regard shall automatically apply to this Policy.

ANNEXURE - II

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

- The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and
- The percentage increase in remuneration of each Director, Managing Director & Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company in the financial year 2021-22

NAME & DESIGNATION	*Remuneration of each Director & KMP for Financial Year 2021-22 (INR)	% increase/ decrease in remuneration in the Financial Year 2021-22	Ratio of remuneration of each Directors to median remuneration of employees
A. Independent Directors			
Mrs. Tiparnapally Nikitha	-	-	-
Mr. Robert Alan Forbes Jr.	-	-	-
Mr. Elisha Thatisetty	-	-	-
B. Executive Directors/KMP			
Mr. Jagan Mohan Reddy Thumma (MD)	4,80,000	-	6.20:01
Mr. Sanjay M. Chauhan (CFO)	24,00,000	-	30.98:01
Mr. Sadhu Shetty (CS)	3,60,400	-	4.65:01
Mr. Joseph Sudheer Reddy Thumma (MD)	-	-	-
Mr. Carwin Heierman (Executive Dr.)	-	-	-

MD - Managing Director, WTD - Whole-time Director, CFO - Chief Financial Officer; CS - Company Secretary.

1. Median remuneration of all the employees of the Company for the financial year 2021-22 is INR 77,465/-.

- The percentage increase in the median remuneration of employees in the financial year 2021-22

	Financial Year 2021 - 22 (INR)	Financial Year 2020 - 21 (INR)	Increase by (%)
Median remuneration of all employees	77,465	2,82,000	27.47

Note: The calculation of % increase in the median remuneration has been done based on comparable employees.

- The number of permanent employees on the rolls of Company.

There were 136 permanent employees on the rolls of Company as on March 31, 2022.

- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average percentile increase/decrease in the salaries of employee other than the MD in the Financial Year 2020-21 was 27.47% and there is no increase in the salary of the MD.

- Affirmation that the remuneration is as per the Remuneration Policy of the Company

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Jagan Mohan Reddy Thumma
Managing Director
[DIN: 06554945]

Tiparnapally Nikitha
Director
[DIN: 07399613]

Registered Office:

101, Veena Royal, Shankar Lane, Kandiwali
(west), Mumbai, Maharashtra, India - 400067.

Date: 07/07/2022

ANNEXURE - III

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(2)(a) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

NAMES OF EMPLOYEES	DESIGNATION / NATURE OF DUTIES	REMUNERATION RECEIVED [RS.] P.A.	QUALIFICATION	EXPERIENCE IN YEARS	AGE IN YEARS	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD	% OF SHARE-HOLDING
Jagan Mohan Reddy Thumma	Managing Director	4,80,000.00	MBA	23	47	1-May-2016	JNIT Tech PVT LTD	8.37 %
Sadhu J Shetty	Company Secretary	3,60,400.00	CS	5	63	26-Mar- 2021	-	-
Syed Ameeruddin	Operations Head	48,00,000.00	MBA	17	33	1-May-2016	JNIT Tech PVT LTD	-
Mohammed Aziz Pasha	Accounts Manager	26,12,450.00	B-Tech	10	32	1-May-2016	JNIT Tech PVT LTD	-
Sanjay M. Chauhan	CFO	24,00,000.00	CA Intermediate	18	41	1-May-2016	JNIT Tech PVT LTD	-
Abdul Hai Sohail	Senior Business Development Manager	29,74,029.00	MBA	10	31	02-July-2018	Talent Logic Info Services Pvt Ltd	-
Arjun Naik	AVP – Sales & Strategy	33,52,126.00	MS	15	42	1-May-2016	Helix Technologies Pvt Ltd	-
Arvind Gatla	Senior Account Manager	9,23,942.00	MBA	10	41	1-April-2020	JNIT Tech PVT LTD	-
Pavan Venkatesh Kunchakuri	Senior Account Manager	54,910.29	CA, CMA & B.Com	3	26	11/02/2022	3rdflix Visual Effects Private Ltd	-
Kahkashan Parween	Business Development Manager	19,73,590.00	B. Com	8	33	11/02/2022	Direct IT Staffing	-

The above employees are related to the Directors of the Company.

NAMES OF EMPLOYEES	EMPLOYEES WHO ARE RELATIVES OF ANY DIRECTOR
Jagan Mohan Reddy Thumma	Brother of Joseph Sudheer Reddy Thumma
Sadhu J Shetty	No Relation with any Director
Syed Ameeruddin	No Relation with any Director
Mohammed Aziz Pasha	No Relation with any Director
Sanjay M. Chauhan	No Relation with any Director
Abdul Hai Sohail	No Relation with any Director
Arjun Naik	No Relation with any Director
Arvind Gatla	No Relation with any Director
Pavan Venkatesh Kunchakuri	No Relation with any Director
Kahkashan Parween	No Relation with any Director

For and on behalf of the Board of Directors

Jagan Mohan Reddy Thumma
Managing Director
[DIN: 06554945]

Tiparnapally Nikitha
Director
[DIN: 07399613]

Registered Office:

101, Veena Royal, Shankar Lane, Kandiwali
(west), Mumbai, Maharashtra, India - 400067.

Date: 07/07/2022

ANNEXURE - IV

FORM AOC-I

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Lacs.)

SL. NO.	1	2
Name of the subsidiaries	JNIT Technologies, INC.	Motivity Labs INC*
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	March 31, 2022	March 31, 2022
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Reporting Currency: \$ U.S. Dollar Exchange Rate as on 31-03-2022 is INR 74.3025	Reporting Currency: \$ U.S. Dollar Exchange Rate as on 31-03-2022 is INR 74.3025
Share capital	74,564	74,30,250
Reserves & surplus	41,74,15,395	8.11,04,618
Total assets	116,28,64,663	35,26,07,606
Total Liabilities	74,53,63,820	26,31,13,133
Investments	41,90,66,100	-
Turnover	150,67,80,245	75,30,28,443
Profit before taxation	24,57,14,058	3,76,56,450
Provision for taxation	58,15,811	1,22,73,095
Profit after taxation	23,98,98,247	2,53,83,355
Proposed Dividend	-	3,25,200
% of shareholding	100	100

*Wholly Owned subsidiary of JNIT Technologies INC.

Names of subsidiaries which are yet to commence operations : - NA

Names of subsidiaries which have been liquidated or sold during the year : - NA

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	NAME OF ASSOCIATES / JOINT VENTURES	
1.	Latest audited Balance Sheet Date	-
2.	Shares of Associate/Joint Ventures held by the company on the year end	-
	No.	-
	Amount of Investment in Associates/Joint Venture	-
	Extend of Holding %	-
3.	Description of how there is significant influence	-
4.	Reason why the associate/joint venture is not consolidated	-
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	-
6.	Profit / Loss for the year	-
	Considered in Consolidation	-
	Not Considered in Consolidation	-

Names of associates or joint ventures which are yet to commence operations: No

Names of associates or joint ventures which have been liquidated or sold during the year: No

For Magellanic Cloud Limited**Jagan Mohan Reddy Thumma**
Managing Director
[DIN: 06554945]**Tiparnapally Nikitha**
Director
[DIN: 07399613]**Sanjay Chauhan**
(Chief Financial officer)**Sameer Lalwani**
(Company Secretary)**Date : 07/07/2022**

OVERVIEW

The objective of this report is to convey the Management's perspective on the external environment and IT industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during the FY 2021-22. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013, as amended and regulations issued by the Securities and Exchange Board of India ('SEBI') from time to time.



EXTERNAL ENVIRONMENT

1. Global Economy

The global economy enters 2022 in a weaker position than previously expected. As the new Omicron COVID-19 variant spreads, countries have reimposed mobility restrictions. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. Further, the ongoing retrenchment of China's real estate sector and slower-than-expected recovery of private consumption and the ongoing tension between Russia and Ukraine have limited the growth prospects.

Outlook

Global growth is projected to slow-down from an estimated 6.1% in 2021 to 3.6% in 2022—0.8 percentage-point lower than what was envisioned in the last World Economic Outlook (WEO) of January 2022, largely reflecting forecast mark-downs in USA and China. In USA, a revised assumption of removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages have induced a downgrade in the outlook by 1.2 percentage-points. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow down to 3.6% in 2023.

2. Indian Economy

Amidst the challenges brought by the COVID-19 pandemic leading to disruptions in supply chain and surging inflation rate, the Indian Government introduced various policies to cushion the impact on the domestic economy and in specific vulnerable sections of society and the business sector. Through its policies, the Government significantly increased capital expenditure on infrastructure projects to build back medium-term demand and aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion. With the vaccination programme having covered the majority of the population, recovering economic momentum and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of around 8.0%-8.5% in 2022-23.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is a part of an Industry, which largely operates through unorganized constituents. However, unlike the industry, the Company has attempted to operate through as systematic and organized manner as possible.

OPPORTUNITIES AND THREATS

Following can be termed as the opportunities / strengths of the Company:

- Induction of widely experienced and specialized personnel on the Board.
- Good combination of technical as well as advisory personnel in the management.
- Some of the world retail majors have decided sometime back to source part of their requirements from India.
- The unfavorable government policies cut throat competition amongst manufacturers and exporters remains major concerns for the Business.

CHANGES IN KEY FINANCIAL RATIOS

Pursuant to provisions of Regulation 34 (3) of SEBI (LODR) Regulation, 2015 read with Schedule V part B(1) details of changes in Key Financial Ratios is given hereunder:

S. NO.	KEY FINANCIAL RATIO		FY 2021-22	FY 2020-21
1.	Debtors Turnover Ratio	Times	21.69	19.09
2.	Inventory Turnover Ratio	Times	20.04	36.01
3.	Current Ratio	Times	1.54	2.50
4.	Debt Equity Ratio	Times	0.22	0.22
5.	Operating Profit Margin	%	15.61%	14.12%
6.	Debt Service Coverage Ratio	%	328.32%	429.79%
7.	Net Profit Margin	%	6.89%	9.00%
8.	Change in Return on Net Worth	%	7.36%	6.51%

**Previous year's Figures have been regrouped / rearranged wherever necessary*

RISK AND CONCERNS

Looking at the scenario in India in case of Food and Beverage industry, Risks associated with operating in a particular industry and include risks arising from demand changes, changes in customers choice and industry changes. Forex risks could arise from the company being exposed to foreign currency fluctuations which could impact its rupee earnings.

The Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of stores, raw materials, components, plant and machinery, equipment and other assets, and for the sale of goods.

The Company also has in place an Audit Committee to have a periodic overview of the internal control procedures of the Company. The Audit committee is accessible at all times to the employees of the Company for any improvement to be recommended in the procedures in place.

DISCUSSION ON FINANCIAL PERFORMANCE OF THE COMPANY

The financial performance of the Company has declined in the year under review.

During the year under review, the Standalone total Income was INR 4338.31 Lakhs as against INR 2853.69 lakhs for the corresponding previous year.

Total Comprehensive income for the period was INR 265.90 Lakhs as against INR 252.94 Lakhs in the corresponding previous year.

INDUSTRIAL RELATIONS AND HUMAN RESOURCES

The Company considers that its relationship with its employees is vital and ensures that employees feel valued and is endeavoring to create an environment and culture within which every employee can put his best efforts and maximize his contribution.

The Company ensures that all its employees remain competent through education, skills, training and experience as necessary. The Company has had cordial relations between the management and employees and an atmosphere of harmonious working to achieve the business objectives of the Company throughout the year. The Company is poised to motivate each of its employees to perform to the fullest extent possible and to appropriately reward their excellence.

CAUTIONARY STATEMENT

Statements in this report and Corporate Governance Report read together with the Directors' Report and financial statement describing the Company's objectives, projections, estimates, expectations and predictions, may be "forward looking statements". Actual results may differ from those expressed or implied due to variations in prices of raw materials, seasonal demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and other incidental factors.

For and on behalf of the Board of Directors

Jagan Mohan Reddy Thumma
Managing Director
[DIN: 06554945]

Tiparnapally Nikitha
Director
[DIN: 07399613]

Registered Office:

101, Veena Royal, Shankar Lane, Kandiwali
(west), Mumbai, Maharashtra, India - 400067.

Date: 07/07/2022

ANNEXURE VI - FORM MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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,
Magellanic Cloud Limited
(Formerly known as South India Projects Ltd)
Regd. Office: 101, Veena Royal, Shankar Lane, Kandiwali (west), Mumbai, Maharashtra, India - 400067.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Magellanic Cloud Limited (hereinafter called the Company). In light of ongoing COVID-19 pandemic situation, due to limitations of physical verifications of various records, the 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 my said 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent,(subject to the observations mentioned in this report) in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder as amended;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder as amended; Not applicable during period. (Not applicable during period)
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as amended;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;(to the extent as may be applicable to the Company);
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015;
 4. 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);
 5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(Not Applicable to the Company during the Audit Period);
 6. 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;
 7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not Applicable to the Company during the Audit Period);and
 8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not Applicable to the Company during the Audit Period);

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

- Secretarial Standards issued by The Institute of Company Secretaries of India. Since minutes are under process, the Secretarial standards are not completely complied.
- The Listing Agreements entered into by the Company with the Stock Exchange viz Bombay Stock Exchange of India Ltd (BSE) along with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as applicable for respective periods.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to following observations/qualifications:

- Website of the Company is to be updated in accordance to SEBI (LODR) Regulation, 2015;
- The Company has received the notice from BSE on 08.07.2021 for non-compliance of various regulations of SEBI LODR for various quarters and imposed a fine of Rs. 14,26,620, As informed by the management, they have sent appropriate reply to BSE;
- The Company has received the notice from BSE on 07.09.2021 for Non-appointment of Company Secretary and Compliance Officer for the quarter ended 31.12.2021 and imposed a fine of Rs. 99,120/-, As informed by the management, they have applied for waiver of fees;
- The Company has received the notice from BSE on 16.12.2021 Non-payment of listing fee and Outstanding listing fee amounted to Rs. 3,54,000, As informed by the management, they have made the payment;
- During the year under review, we have not found any documents related with compliance of IEPF rules, as amended.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- All the resolutions were passed with consent of majority Directors

I further report that:

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

I further report that 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, guidelines and standards.

Place: Mumbai
Date: 23.06.2022

For: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES

DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP NO.5364
UDIN: F005652C000790205

Annexure to Secretarial Report and forming part of the report

To,
The Members,
Magellanic Cloud Limited
(Formerly known as South India Projects Ltd)
Regd. Office: 101, Veena Royal, Shankar Lane, Kandiwali (west), Mumbai, Maharashtra, India - 400067.

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is limited to the verification of procedures on test basis and shall not stand responsible for any non-compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 23.06.2022

For: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES

DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP NO.5364
UDIN: F005652C000790205

SECRETARIAL COMPLIANCE REPORT ANNEXURE – VII

ANNUAL SECRETARIAL COMPLIANCE REPORT OF “MAGELLANIC CLOUD LIMITED (FORMERLY KNOWN AS SOUTH INDIA PROJECTS LIMITED)” FOR THE YEAR ENDED MARCH 31, 2022

We, Deep Shukla & Associates have examined:

- all the documents and records made available to us and explanation provided by MAGELLANIC CLOUD LIMITED [CIN: L72100MH1981PLC339095] (“the listed entity”),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,
- other relevant document(s)/ filing, which has been relied upon to make this certification,

for the year ended March 31, 2022 (“Review Period”) in respect of compliance with the provisions of :

- the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, are:

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (till November 09,2018); [Not applicable during the review period]
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 09, 2018); (to the extent applicable);
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (to the extent applicable);
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [Not applicable during the review period]
- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; [Not applicable during the review period]
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable during the review period]
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; [Not applicable during the review period]
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (to the extent applicable);
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, as amended;
- The Securities and Exchange Board of India (Intermediaries) Regulations, 2008; [Not applicable during the review period]
- Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018; and circulars/guidelines issued thereunder.



And based on the above examination and explanations given by the Management, we hereby report that, during the review period:

- The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	COMPLIANCE REQUIREMENT (REGULATIONS/ CIRCULARS / GUIDELINES INCLUDING SPECIFIC CLAUSE)	DEVIATIONS	OBSERVATIONS/ REMARKS OF THE PRACTICING COMPANY SECRETARY
1.	Regulation 46(2)	The Company has not hosted the required compliances on the website of the Company	As explained by the management they are in- process to update the same

- The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	ACTION TAKEN BY	DETAILS OF VIOLATION	DETAILS OF ACTION TAKEN E.G. FINES, WARNING LETTER, DEBARMENT, ETC.	OBSERVATIONS/ REMARKS OF THE PRACTICING COMPANY SECRETARY, IF ANY.
1.	BSE Limited on 08.07.2021	Letter for non-compliance of various regulations of SEBI LODR for various quarters	The fines was imposed of Rs. 1426620/- (including GST)	As informed by the management, they have sent appropriate reply to BSE
2.	BSE Limited on 07.09.2021	Non-appointment of Company Secretary and Compliance Officer for quarter ended 31.03.2021	The fines was imposed of Rs. 99,120/-	As informed by the management, they have applied for waiver of fees
3.	BSE Limited on 16.12.2021	Non-payment of listing fee	Outstanding listing fee amounted to Rs. 3,54,000/-	As informed by the management, they have made the payment of fine, as imposed by BSE, on 8th December, 2021

- The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	OBSERVATIONS OF THE PRACTICING COMPANY SECRETARY IN THE PREVIOUS REPORTS	OBSERVATIONS MADE IN THE SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED MARCH 31, 2021	ACTIONS TAKEN BY THE LISTED ENTITY, IF ANY	COMMENTS OF THE PRACTICING COMPANY SECRETARY ON THE ACTIONS TAKEN BY THE LISTED ENTITY
1.	The Company has not updated the details pertaining to F.Y. 2020-21 on it's website	The Company has not updated the details pertaining to F.Y. 2020-21 on it's website	As informed to us by the management, they are in a process to update the same	Updation of website is in process;

Place: Mumbai
Date: 20.05.2022

For: M/s. Deep Shukla & Associates
Company Secretaries
Deep Shukla
FCS: 5652
CP NO: 5364
UDIN: F005652D000353120

CORPORATE GOVERNANCE REPORT - ANNEXURE - VIII

Corporate Governance is not merely the compliance of a set of regulatory laws and regulations but is a set of good and transparent practices that enable an organization to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. It goes beyond building and strengthening the trust and integrity of the Company by ensuring conformity with the globally accepted best governance practices. The Securities and Exchange Board of India (SEBI) observes keen vigilance over governance and fulfillment of these regulations in letter and spirit, which entails surety towards sustainable development of the Company, enhancing stakeholders' value eventually.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations. Your Company has committed to bring about the good corporate governance practices. It strongly believes in attaining transparency, accountability and equity, in all its operations, and in its interaction with stakeholders including shareholders, employees, the government and the lenders. The Company keeps itself abreast with the best governance practices on the global front, at the same time conforming to the recent amendments.

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders and clients of the Company and the unquestioned integrity of all personnel involved or related to the Company. Corporate Governance contains a set of principles, process and systems to be followed by directors, Management and all Employees of the Company for increasing the shareholders' value, keeping in view interest of other stakeholders. While adhering to the above, the Company is committed integrity, transparency, accountability and compliance with laws in all dealings with shareholders, employees, the Government, customers, suppliers and other stakeholders.



BOARD OF DIRECTORS

The Board of Directors ("the Board") facilitates effective fulfillment of the Board's tasks and provides leadership and guidance to the Company's management and helps in supervising the performance of the Company and helps achieving goals. The Board plays a crucial role enhancing and protecting the reputation of the organization are expected to exercise their duties in the best interests of shareholders and to maximize wealth.

The Board comprises of the members distinguished in various fields such as management, finance, law and marketing. This provides reliability to the Company's functioning and the Board ensures a critical examination of the strategies and operational planning mechanisms adopted by the management across the globe. None of the Directors on the Board is a member in more than ten Committees and Chairman of more than five Committees across all Companies in which they are Directors as per Regulation 26(1) of the SEBI (LODR) regulations, 2015.

As on March 31, 2022, the Board comprised of 6 (Six) Directors out of which 3 (Three) are Non-Executive Independent Directors and 3 (Three) are Executive Directors.

Agenda papers of the Boards and its Committee meetings are circulated to the Directors well in advance of the meetings, supported with significant information as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for an effective and well-informed decision making during the meetings.

The composition of the Board of Directors and also the number of other Companies of which he/she is a Director and Member/ Chairman as on March 31, 2022, are as under:

NAME OF THE DIRECTORS	Category of Directorship	Directorship in other Companies (Including Private Companies)	Committee Membership(s) of other Companies		No. of Shares held
			Member	Chairman	
Mr. Jagan Mohan Reddy Thumma	Managing Director	-	-	-	23,50,000
Joseph Sudheer Reddy Thumma	Managing Director designated as Global CEO	-	-	-	1,15,77,056
Mr. Carwin Heierman	Executive Director	-	-	-	-
Miss. NikithaTiparnapally	Non-Executive Director Independent Director	-	-	-	-
Mr. Robert Alan Forbes Jr.	Non-Executive Director Independent Director	-	-	-	-
Mr. Elisha Thatisetty	Non-Executive Director Independent Director	-	-	-	-

The particulars of Directors, who are proposed to be re-appointed at the ensuing AGM, are given in the Notice convening the AGM.

Further, there are no inter-se relationships between our Board Members except Mr. Jagan Mohan Reddy Thumma and Joseph Sudheer Reddy Thumma being relative and promoter of the Company.

BOARD PROCEDURE

The Board meets at least once every quarter to review the quarterly performance and the financial results. The Board's role, functions, responsibility and accountability are clearly defined. All major decisions involving policy formulations, business plans, annual operating budgets, compliance with statutory requirements, major accounting provisions and write-offs are considered by the Board. All the Directors have made necessary disclosures about the directorships and committee positions they occupy in other companies.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING:

During the year 08 (Eight) Board Meetings were held during the financial year ended March 31, 2021, the dates of which are April 30, 2020; June 30, 2020; August 03, 2020; August 20, 2020; October 19, 2020; January 17, 2021; February 10, 2021 and February 21, 2021.

The attendance of each Director at Board Meetings and at the last Annual General Meeting is as under:

Name of the Directors	No. of Board meetings attended	Attendance of last AGM held on 28/09/2021
Mr. Jagan Mohan Reddy Thumma	08	Present
Joseph Sudheer Reddy Thumma	07	Present
Miss. NikithaTiparnapally	08	Present
Mr. Carwin Heierman	07	Present
Mr. Robert Alan Forbes Jr.	02	Absent
Mr. Elisha Thatisetty	02	Present

AUDIT COMMITTEE

BROAD TERMS OF REFERENCE

The terms of reference of the Audit Committee are in order to cover the matters specified under revised Regulation 17(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. This Committee has powers and roles comprising of Financial Reporting and disclosure, recommendation of appointment/ removal of Auditors, reviewing of company's results, evaluation of Independent Directors performances.

COMPOSITION

The Audit Committee comprises of Three Directors, comprises of Executive and non-executive and Independent Director. All these Directors possess knowledge by corporate finance, accounts and company law.

The constitution of the Audit Committee as on March 31, 2022 is as follows:

S.N	Name of the Directors	Executive / Non-Executive Independent
1.	Mr. Jagan Mohan Reddy Thumma	Member, (Executive Director)
2.	Mrs. Tiparnapally Nikitha	Chairperson, (Non-Executive Independent)
3.	Mr. Surya Narayan Tripathy	Member, (Non-Executive Independent)

MEETINGS AND ATTENDANCE

During the year 04 (Four) Audit Committee meeting were held during the financial year ended March 31, 2021, the dates of which are April 30, 2021; August 03, 2021; October 19, 2021 and January 17, 2022.

The attendance at the Audit Committee Meetings is as under:

S.N	Name of Director	Executive / Non-Executive Independent	No. of meetings attended
1.	Mr. Jagan Mohan Reddy Thumma	Member, (Executive Director)	04
2.	Mrs. Tiparnapally Nikitha	Chairperson, (Non-Executive Independent)	04
3.	Mr. Elisha Thatisetty	Member, (Non-Executive Independent)	03

The Chairperson of the Committee was present at the Annual General Meeting of the Company held on 28/09/2021 to attend the shareholders' queries.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The terms of reference are in line with Section 178 of the Companies Act, 2013 and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews Shareholder's/ Investor's complaints like non-receipt of Annual Report, physical transfer/ transmission/transposition, split/ consolidation of share certificates, issue of duplicate share certificates etc. This Committee is also empowered to consider and resolve the grievance of other stakeholders of the Company including security holders.

There was no pending complaint as on 31st March, 2022.

COMPOSITION

The constitution of the Committee of Directors is as under:

S.N	Name of the Directors	Executive / Non-Executive Independent
1.	Mr. Jagan Mohan Reddy Thumma	Member, (Executive Director)
2.	Mrs. Tiparnapally Nikitha	Chairperson, (Non-Executive Independent)
3.	Mr. Elisha Thatisetty	Member, (Non-Executive Independent)

MEETINGS AND ATTENDANCE

During the year 02 (Two) Meetings were held during the financial year ended March 31, 2022, the dates of which are April 30, 2021 and August 03, 2021.

The attendance at the Stakeholders Relationship Committee Meetings is as under:

S.N	Names of Directors/ KMP	Executive / Non-Executive Independent	No. of meetings attended
1.	Mr. Jagan Mohan Reddy Thumma	Member, (Executive Director)	02
2.	Mrs. Tiparnapally Nikitha	Chairperson, (Non-Executive Independent)	02
3.	Mr. Elisha Thatisetty	Member, (Non-Executive Independent)	01

NOMINATION AND REMUNERATION COMMITTEE

The Committee's constitution and terms of reference are in compliance with provisions of section 178 of the Companies Act, 2013, Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

This Committee has powers to recommend / approve remuneration, Identification of Persons who are qualified to become director, Recommend to the board their appointment and removal, approve remuneration of Non Executive Directors.

The constitution of the Committee of Directors is as under:

S.N	Name of the Directors	Executive / Non-Executive Independent
1.	Robert Alan Forbes Jr.	Member, (Non-Executive Independent)
2.	Mrs. Tiparnapally Nikitha	Chairperson, (Non-Executive Independent)
3.	Mr. Elisha Thatisetty	Member, (Non-Executive Independent)

Remuneration Policy for Key Managerial Personnel and other Employees of the Company:

The Company's Remuneration Policy for Key Managerial Personnel and Other employees is driven by the success and the performance of the Company and the individual & industry benchmarks and is decided by the Nomination and Remuneration Committee. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a mix of fixed/ variable pay, benefits and performance related pay.

Role of the Nomination and Remuneration Committee:

The Committee performs the functions enumerated in Section 178 of the Act and Regulation 19(4) read with Part D of Schedule II of the Listing Regulations as follows:

- formulation of the 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;
- 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.

The details of Remuneration paid to the Executive Directors & KMP for the Financial Year 2021-22:

S.N	Names of Directors / KMP	Executive / Non-Executive Independent	Amt. (in Rs.)
1.	Mr. Jagan Mohan Reddy Thumma	Managing Director	4,80,000
2.	Joseph Sudheer Reddy Thumma	Managing Director designated as Global CEO	Nil
3.	Mr. Carwin Heierman	Executive Director	Nil
4.	Miss. Nikitha Tiparnapally	Non-Executive Director Independent Director	Nil
5.	Mr. Robert Alan Forbes Jr.	Non-Executive Director Independent Director	Nil
6.	Mr. Elisha Thatisetty	Non-Executive Director Independent Director	Nil
7.	Mr. Sanjay M. Chauhan	Chief Financial Officer	24,00,000
8.	Mr. Sadhu J. Shetty	Company Secretary	3,60,400.00

Further, there is no pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company. None of the Executive Directors are eligible for payment of any severance fees.

MEETINGS AND ATTENDANCE

During the year 02 (Two) Meetings were held during the financial year ended March 31, 2022, to consider and approve the appointment of Directors and other senior officer of the Company, the dates of which are April 30, 2021, and August 03, 2021. The attendance at the Remuneration Committee Meeting as on March 31, 2022, is as under:

S.N	Name of Director	Executive / Non-Executive Independent	No. of meetings attended
1.	Robert Alan Forbes Jr.	Member, (Non-Executive Independent)	01
2.	Mrs. Tiparnapally Nikitha	Chairperson, (Non-Executive Independent)	02
3.	Mr. Elisha Thatisetty	Member, (Non-Executive Independent)	02

GENERAL BODY MEETINGS / POSTAL BALLOT

Details of the last three years Annual General Meeting are as under:

Financial Year	Date	Location of the Meeting	Time	Special Resolution(s) Passed
2018-19	10/08/2019	14B, Ram Chandra Moitra, Kolkata – 700005, West Bengal 700001, India	03.30 P.M.	02
2019-20	28/09/2020	Meeting held through Video Conferencing	10.00 A.M.	-
2020-21	28/09/2021	Meeting held through Video Conferencing	10.00 A.M.	01

During the year under review, the company has not approached to shareholders any matter through postal ballot.

TRAINING FOR BOARD MEMBERS

Regulation 25(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company is required to conduct familiarization programme enabling the Independent Directors of the Company to understand the Company's business in depth that would facilitate their active participation in managing the Company.

The Company has adopted a system to familiarize its Independent Directors with the Company, to make them aware of their roles, rights & responsibilities in the Company, and nature of the industry in which the Company operates business model of the Company, etc. The Company has also put in place a system to familiarize its Independent Directors with the Company, their roles, rights & responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. Presentation was made for the newly appointed Independent Directors to make them aware of their roles & duties and Code for Independent Directors, Code of Conduct for Non-Executive Directors and Code of Conduct for Prevention of Insider Trading as issued by the Company are also shared with them at the time of their appointment/ re-appointment. Further, presentations are also made from time to time at the Board and its Committee meetings, on quarterly basis, covering the business & financial performance of the Company & its subsidiaries, quarterly/ annual financial results, revenue and capital budget, review of Internal Audit findings etc.

The details of such familiarization programme are in process to upload on the Company's website www.magellanic-cloud.com.



PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The performance of individual Directors was evaluated on parameters such as attendance and participation in the Meetings, preparedness for the meetings, understanding of the Company & the external environment in which it operates, contribution to strategic direction, raising of valid concerns to the Board, constructive contribution to issues, active participation at meetings and engaging with & challenging the management team without confronting or obstructing the proceeding of the Board and its Committee meetings of which the Director is a member. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors at their meeting. The Directors expressed their satisfaction with the evaluation process.

DISCLOSURES

Related Party Transactions

There were no transactions of material nature between the Company and its Directors or Senior Management and their relatives or Promoters that may have potential conflict with interest of the Company. The Register of Contracts containing transactions, in which Directors are interested, have been placed before the Board regularly.

The transactions with related parties as per Indian Accounting Standard (IND AS)-24 are set out in Notes to accounts under Note no. 27.2 forming part of financial statements. All transactions entered into with Related Parties as defined under Section 188 of the Companies Act, 2013 and Regulation 53 read with Part A of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the relevant Indian Accounting Standards (IND AS18) have been made in the Notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website www.magellanic-cloud.com.

Disclosures from Senior Management

Disclosures from Senior Management are obtained on quarterly basis to the effect that they have not entered into any material, financial and commercial transactions, where they have personal interest that may have potential conflict with the interest of the Company at large.

Compliances by the Company

The Company has complied with the requirements of the Regulatory Authorities on matters related to the capital market exchange, no penalties/ strictures have been imposed against the Company by the Stock Exchanges or SEBI or any other Regulatory Authority on any matter related to capital market during the last three years.

Whistle Blower Policy/ Vigil Mechanism

The Company has adopted a Whistle Blower Policy to provide a vigil mechanism to directors, employees, agents, consultants, vendors and business partners to disclose instances of wrong doing in the workplace. The object of this Whistle Blower Policy is to encourage individuals to disclose and protect such individuals in the event of a disclosure. The Company is keen on demonstrating the right values and ethical, moral and legal business practices in every field of activity within the scope of its work. The objective of this policy is to provide a vigil mechanism and framework to promote responsible whistle blowing and ensure effective remedial action and also protect the interest of the whistle blower as guided by legal principles. This policy is intended to:

- Encourage and enable directors, employees, agents, consultants, vendors and business partners to raise issues or concerns, which are either unacceptable or patently against the stated objectives, law or ethics, within the Company.
- Ensure that directors, employees, agents, consultants, vendors and business partners can raise issues or concerns without fear of victimization, subsequent discrimination or disadvantage thereof.
- Reassure the whistle blower(s) that they will be protected from possible reprisals or victimization if they have made disclosure/s in good faith.

- Ensure that where any wrong doing by the Company or any of its directors, employees, agents, consultants, vendors or business partners is identified and reported to the Company under this policy, it will be dealt with expeditiously and thoroughly investigated and remedied. The Company will further examine the means of ensuring how such wrong doing can be prevented in future and will take corrective action accordingly.

The policy also provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No person has been denied access to the Audit Committee. All complaints received under the said policy, if any, are reviewed by the Audit Committee at its meeting held every quarter. In staying true to our values of Strength, Performance and Passion and in line with Company's vision of being one of the most respected companies in India; the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

Code of Conduct for Directors and Senior Management

The Board has laid down Codes of Conduct for Executive Directors & Senior Management and for Non-Executive/ Independent Directors of the Company. The Codes of Conduct have been circulated to the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the MD in this regard is given at the end of this Report. The Code of Conduct is available on website of the Company at the link www.magellanic-cloud.com.

Code of Conduct for Prohibition of Insider Trading

The Company has framed Code of Conduct for Prohibition of Insider Trading' pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, which is applicable to its Directors, Officers, and Designated Employees. The Code includes provisions relating to disclosures, opening and closure of Trading Window and Pre-Clearance of trades procedure. In compliance with SEBI Regulations the Company sends intimations to Stock Exchanges from time to time.

Subsidiary Companies

The Company has one foreign subsidiary company and one fellow subsidiary company as on March 31, 2022. The Policy of Material Subsidiaries is available on website of the Company at the link www.magellanic-cloud.com.

Risk Management & Internal Control

The Company has implemented a comprehensive 'Enterprise Risk Management' framework in order to anticipate, identify, measure, mitigate, monitor and report the risks to meet the strategic business objectives, details of which are given in the Risk Management section under 'Management Discussion and Analysis Report' which forms part of this Annual Report. The Company has a competent in-House Internal Audit team which prepares and executes a vigorous Audit Plan covering various functions such as operations, finance, human resources, administration, legal and business development etc. across different geographies. The team presents their key audit findings of every quarter to the Audit Committee. The management updates the members about the remedial actions taken or proposed for the same. The suggestions and comments from the Committee members are vigilantly incorporated and executed by the Company.

Sexual Harassment Policy

The Company has an anti-sexual harassment policy to promote a protective work environment. The complaints received by the Sexual Harassment Committee with details of action taken thereon are reviewed by the Audit Committee at its meeting held every quarter. The Company has a zero tolerance policy towards such complaints and the same is conveyed to the employees at the time of induction.

SR. NO.	Particulars	No. of Complaints
a.	Complaints filed during the financial year	Nil
b.	Complaints disposed of during the financial year	Nil
c.	Complaints pending as on end of the financial year	Nil

Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of Annual Report.

Independent Directors

The Independent Directors of the Company have the option and freedom to meet and interact with the Company's Management as and when they deem it necessary. They are provided with necessary resources and support to enable them to analyze the information/data provided by the Management and help them to perform their role effectively.

Share Reconciliation Audit

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

Review of Directors' Responsibility Statement

The Board in its report has confirmed that the annual accounts for the financial year ended 31st March, 2021 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

Details of utilization of funds raised through preferential allotment or qualified institutions placement

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2022.

Recommendation by Committee

The Board has accepted all recommendations made by its committees during the financial year ended 31st March, 2022.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part, given below:

Nature of Payments	Amount (Rs. In Lakhs)
Statutory Audit	1,70,0000
Tax Audit	70,000
Other Services including reimbursement of expenses	1,00,000
Total	3,40,000

Disclosure of the compliance with Corporate Governance

The Company has complied with the Regulations 17-20, 22-23, 24A, 25-27 and Clauses (b) to (i) of subregulations (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, during the financial year ended 31st March 2022. Regulations 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

MEETING OF INDEPENDENT DIRECTOR

During the year under review, a separate meeting of the Independent Directors was held in the F.Y. 2021-22. At the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairman, after taking into account the view of Executive Director(s) & Non-Executive Director(s). They also assessed the quality, quantity and timeliness of flow of information between the Company's management to the Board.

MEANS OF COMMUNICATION

The Quarterly Reports of the Company are published in accordance with the Requirements of the Listing Agreement of the Bombay Stock Exchange Ltd.

Newspapers in which results are normally published:

1. Free Press Journal (English)
2. Navshakti (Marathi)

GENERAL SHAREHOLDERS' INFORMATION

1. Annual General Meeting Scheduled to be Held:

Day & Date: Wednesday, August 10, 2022

Time: At 11.00 A.M.

Venue: Through Video Conferencing or OAVM

2. Date of Book Closure: August 04, 2022 to August 10, 2022 (both days inclusive).

3. Financial Calendar: The next financial calendar year of the Company will be from 1st April 2022 to 31st March, 2023.

Audited/ Unaudited	Particulars of Financial Reporting	Date
Unaudited	Financial Reporting for the quarter ending 30th June, 2022	Up to 15th Aug, 2022
Unaudited	Financial Reporting for the quarter ending 30th September, 2022	Up to 15th Nov, 2022
Unaudited	Financial Reporting for the quarter ending 31st December, 2022	Up to 15th Feb, 2023
Audited	Financial Reporting for the Audited Financial Result as on 31st March, 2023	Up to 30th May 2023

4. Listing on Stock Exchanges:

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited.

5. Stock Codes:

Bombay Stock Exchange Limited: 538891

6. Stock Price Data:

The market price data i.e. monthly high and low prices of the Company's shares on BSE Limited (BSE) are given below:

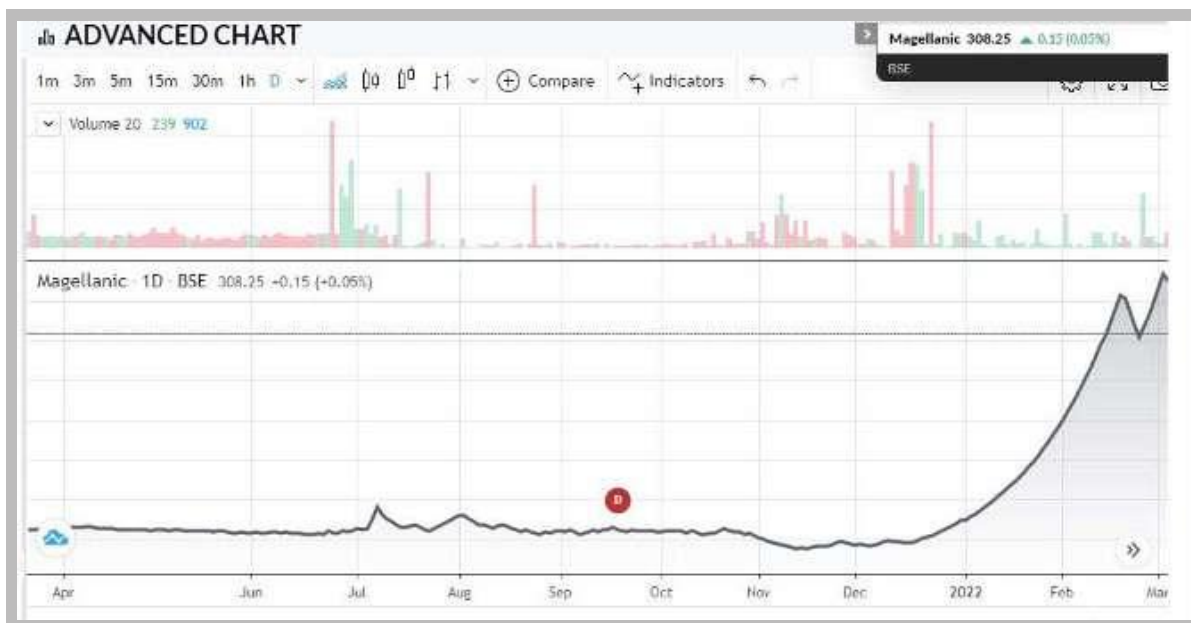
MONTH	BSE, MUMBAI	
	High (Rs.)	Low (Rs.)
Apr-2021	67.40	61.44
May-2021	66.20	56.50
Jun-2021	64.00	53.00
Jul-2021	91.85	61.00
Aug-2021	85.80	55.00
Sep-2021	69.10	57.65
Oct-2021	67.65	54.15
Nov-2021	58.15	37.25
Dec-2021	74.45	41.60

Jan-2022	190.10	71.70
Feb-2022	376.00	189.65
Mar-2022	448.10	337.30

* Source: BSE Website

7. Performance in comparison

*The company Fully Paid Share Price versus BSE Sensex



* Source: BSE Website

8. Address for Correspondence

Registered Office	101, Veena Royal, Shankar Lane, Kandiwali (west), Mumbai, Maharashtra, India - 400067
Share Transfer in physical form and in other communication in that regards including share certificates, dividends and change of address etc. may be addressed.	M/s. Niche Technologies Pvt. Ltd 3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata 700 01, West Bengal. Tel: 033- 2280 6616/17/18; Fax: 033-2280 6616 Web Site : www.nichetechpl.com e-mail : nichetechpl@nichetechpl.com

9. Share Transfer System

Shares sent for transfer in physical to Niche Technologies Pvt. Ltd (R&T Agents), are registered and returned within a period of 15 days from the date of receipt, if the documents are in order. All requests for dematerialisation of shares are processed by the Company and Niche Technologies Pvt. Ltd Limited within 21 days.

10. Dematerialisation of shares

As on 31st March, 2022, 2,51,31,400 Equity Shares are held in dematerialized form with NSDL and CDSL out of total Equity Shares of 2,51,66,940 aggregating to 99.86%

11. Distribution of shareholding as on 31st March 2022

No. of shares held			No. of shareholders	No. of shares held	% of shareholding
1	to	500	2753	1,27,178	0.5053
501	to	1000	57	42,659	0.1695
1001	to	5000	85	1,96,857	0.7822
5001	to	10000	23	1,70,700	0.6783
10001	to	50000	45	9,73,154	3.8668
50001	to	100000	12	9,45,344	3.7563
100001	and	Above	30	2,27,11,048	90.2416
TOTAL			3005	2,51,66,940	100.0000

Shareholding Pattern as on 31st March 2022

PARTICULARS OF CATEGORY	Number of Shareholders	Shares	
		Number	% to total Capital
(A) Promoter and Promoter Group Holding			
1. Individual / Hindu Undivided Family	4	16906705	67.178
Bodies Corporate	-	-	-
Total (A)	4	16906705	67.178
(B) Non – Promoter Holding			
Institutions			
Financial Institutional Investors (FIIs)/Banks	-	-	-
Trusts	-	-	-
Non-Institutions			
Bodies Corporate	06	1442	0.006
Indian Public	2963	8155750	32.406
NRIs	17	84089	0.334
Clearing Members	15	18954	0.075
Hindu Undivided Family	-	-	-
Investor Education And Protection Fund Authority	-	-	-
Total (B)	3001	8260235	32.822
Grand Total (A)+(B)	3005	25166940	100

Shareholding pattern in case of dematerialization shares has been prepared based on download of data received from NSDL / CDSL as on 31st March 2022.

13. Top 10 Shareholders as on March 31, 2022

SN	For Each of the Top 10 Shareholders	Shareholding as on 31 st March, 2018	
		No. of shares	% of total shares of the company
1.	Amita Hirabhai Parmar	29288	0.116
2.	Appaji Kodey	175004	0.695
3.	Basani Dharma Reddy	173045	0.688
4.	Bhaskar Reddy Lingareddy	173500	0.689
5.	Chandra Shekar Dosapati	169910	0.675
6.	Mahendrakumar Manilal Chouhan	714061	2.837
7.	Pramod Hirabhai Parmar	235572	0.936
8.	Rajitha Dosapati	179900	0.715
9.	Sampath Reddy Boyapati	165464	0.657
10.	Syed Ameeruddin	206803	0.822



CERTIFICATION FROM THE MANAGING DIRECTOR AND CFO

In terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the BSE , I hereby certify as under:

- We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022, and that to the best of our knowledge and belief:
 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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.
- There are, to the best of my 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.
- 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. 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.

There have been no

- Significant changes in internal control over financial reporting during the year;
- Significant changes in accounting policies during the year;
- Instances of fraud of which we have become aware and the involvement therein, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: 07/07/2022

For & on behalf of the Board of Directors of Magellanic Cloud Limited

Jagan Mohan Reddy Thumma
Managing Director
[DIN: 06554945]

Sanjay Chauhan
Chief Financial Officer

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 of
 Magellanic Cloud Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Magellanic Cloud Limited [CIN: L72100MH1981PLC339095] having Registered Office Unit no. 405, Techno IT Park, Link Road, Near Eskay Club, Borivali (West), Mumbai-400 103, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number(-DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 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.

SN	DIN No.	Names of Directors/ KMP	Date of Appointment
1.	06554945	Mr. Jagan Mohan Reddy Thumma	29/12/2015
2.	07033919	Joseph Sudheer Reddy Thumma	29/12/2015
3.	08458981	Mr. Carwin Heierman	28/05/2019
4.	07399613	Miss. NikithaTiparnapally	26/02/2016
5.	08459003	Mr. Robert Alan Forbes Jr.	28/05/2019
6.	08531842	Mr. Elisha Thatisetty	14/08/2019

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

Place: Mumbai
Date: 23.03.2022

For: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES

DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP NO.5364
UDIN: F005652C000790238

DECLARATION BY THE MANAGING DIRECTOR ON 'CODE OF CONDUCT'

I hereby confirm that:

The Company has obtained from all the members of the Board and senior management, affirmation that they have complied with the Code of Conduct as applicable to them.

Place: Mumbai
Date: 07/07/2022

For & on behalf of the Board of Directors of Magellanic Cloud Limited

Jagan Mohan Reddy Thumma
Managing Director
[DIN: 06554945]

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE
UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015

To
The Members of
Magellanic Cloud Limited

I have examined the compliance with the conditions of Corporate Governance by Magellanic Cloud Limited ('the Company') for the year ended March 31, 2022, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) in the light of CoVID-19 situation, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended March 31, 2021, except the followings:

- Website of the Company is to be updated in accordance to SEBI (LODR) Regulation, 2015;
- The Company has received the notice from BSE on 08.07.2021 for non-compliance of various regulations of SEBI LODR for various quarters and imposed a fine of Rs. 14,26,620, As informed by the management, they have sent appropriate reply to BSE;
- The Company has received the notice from BSE on 07.09.2021 for Non-appointment of Company Secretary and Compliance Officer for the quarter ended 31.12.2021 and imposed a fine of Rs. 99,120/-, As informed by the management, they have applied for waiver of fees;
- The Company has received the notice from BSE on 16.12.2021 Non-payment of listing fee and Outstanding listing fee amounted to Rs. 3,54,000, As informed by the management, they have made the payment;

I 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.

Place: Mumbai
Date: 25.05.2022

For M/s. D. Kothary & Co
Chartered Accountants

Mukesh U. Jha
Partner
Membership No. 125024

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Magellanic Cloud Limited**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Magellanic Cloud Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to be disclosed.

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 Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 Companies Act, 2013 ("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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our

auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) In our opinion, the managerial remuneration for the year ended 31st March, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which has impact on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There is no amount due to transfer to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2022.
- 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 such audit procedures 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 (a) and (b) contain any material misstatement.
- v. The dividend has not been declared or paid during the year by the Company.

For D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W

Mukesh U. Jha
(Partner)
Membership No. 125024
UDIN: 22125024AJOSAR7713

Place: Mumbai
Date: 25th May 2022

Annexure A to Independent Auditors' Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements"
of our report of even date)

- i. In respect of its Property, plant & Equipment:
- a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment on the basis of available information;
- (B) The company has maintained proper records showing full particulars of intangible assets;
- b) As explained to us, all the property, plant & equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification;
- c) According to the documents provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date;
- d) According to the information and explanations given to us the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets during the year;
- e) There are no proceedings initiated and are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- ii. In respect of its inventories:
- a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and coverage and procedure of such verification is appropriate and no material discrepancies were noticed.
- b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned working capital limits, in excess of five crore rupees, during any point of time of the year, in aggregate, from banks or financial institutions on the basis of security of current assets.
- iii. In respect of loans and advances, guarantee or security provided:
- a) In our opinion and according to the information and explanations given to us, the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.

Particulars	Amount
Aggregate amount granted	
Subsidiaries	-
Others	-
Balance outstanding	
Subsidiaries	-
Others	4,39,31,074

- b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided during the year are not prejudicial to the company's interest;

- 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 which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues 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 granted the above loans or advances repayable on demand without specifying any terms or period of repayment details.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans granted, investments made and guarantees and securities provided.
- v. The Company has not accepted any deposits from the public.
- vi. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act, in respect of the business activities carried out by the Company.
- vii. In respect of statutory dues:
- a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.
 - b) There are no statutory dues pending to be deposited on account of disputes pending with various forums.
- viii. There are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) Based on our audit procedures and as per the information and explanations given by management, the Company has not defaulted in repayment of dues to any lender.

(b) The Company has not declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has taken any term loan during the year and it is utilized for the purpose it was obtained.

- (d) 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.
- (e) 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 did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. (a) To the best of our knowledge, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (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 and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- xii. The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, 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 internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto 31st March 2022.
- xv. In our opinion during the year the Company has not entered into non-cash transactions with any of its directors or directors of it's holding company, subsidiary 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. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- xvii. The company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has not been any resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the

evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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. The provisions of section 135 are not applicable to the Company. Accordingly, paragraph 3(xx) of the Order is not applicable.
- xxi. According to the information and explanations given to us, and based on the CARO report issued by and the information provided by the auditors of the companies included in the consolidated financial statements of the Company we report that there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W

Mukesh U. Jha
(Partner)
Membership No. 125024
UDIN: 22125024AJOSAR7713

Place: Mumbai
Date: 25th May 2022

Annexure - B to the Auditors' Report

**To the Members of
Magellanic Cloud Limited**

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

We have audited the internal financial controls over financial reporting of **Magellanic Cloud Limited** ("the Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W

Mukesh U. Jha
(Partner)
Membership No. 125024
UDIN: 22125024AJOSAR7713

Place: Mumbai
Date: 25th May 2022

Magellanic Cloud Limited
(formerly known as South India Projects Limited)
CIN: L72100MH1981PLC339095
Balance Sheet As at 31st March 2022

Sr. No.	Particulars	Notes	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
I.	ASSETS			
1	Non Current Assets			
	(a) Property, Plant and Equipment	4	16,75,78,620	17,59,04,642
	(b) Financial Assets			
	(i) Investments	5	26,00,00,000	26,00,00,000
	(c) Other non-current assets	6	2,38,33,383	2,34,81,978
			45,14,12,003	45,93,86,620
2	Current Assets			
	(a) Inventories	7	1,59,69,695	66,05,422
	(b) Financial Assets			
	(i) Trade receivables	8	1,73,81,805	2,12,29,662
	(ii) Cash and cash equivalents	9	16,10,31,325	98,90,592
	(iv) Loans	10	4,39,31,074	8,59,50,430
	(c) Current Tax Assets (net)		-	5,128
	(d) Other current assets	11	2,20,86,184	1,95,78,226
			26,04,00,083	14,32,59,459
	TOTAL		71,18,12,086	60,26,46,078
II.	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	12	25,16,69,400	25,16,69,400
	(b) Other Equity	13	14,71,54,127	13,31,47,372
			39,88,23,527	38,48,16,772
	LIABILITIES			
1	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	7,28,84,634	7,27,50,808
	(ii) Lease Liabilities		4,34,33,910	6,32,29,728
	(b) Provisions	15	67,44,767	35,22,354
	(c) Deferred tax liabilities (Net)	16	31,35,597	17,47,215
			12,61,98,908	14,12,50,105
2	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	1,33,31,348	1,07,13,564
	(ii) Lease Liabilities		1,97,95,817	2,16,81,133
	(iii) Trade payables	18	-	-
	(a) total outstanding dues of MSE enterprises		-	-
	(b) total outstanding dues of creditors other than MSE Enterprises		2,21,72,524	3,31,73,521
	(ii) Other Financial Liabilities	19	35,27,323	33,76,325
	(b) Provisions	20	5,78,158	2,79,371
	(c) Other Current Liabilities	21	12,53,58,612	73,55,287
	(d) Current Tax Liabilities (Net)		20,25,868	-
			18,67,89,651	7,65,79,202
	TOTAL		71,18,12,086	60,26,46,078

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date

For D kothary & Co.,
Chartered Accountants
Firm Registration No. 105335W

Mukesh U. Jha
Partner
Membership No.: 125024
Place : Mumbai
Date : 25th May 2022

For and on behalf of the Board of Directors

Managing Director
Jagan Mohan Reddy Thumma
Din No. 06554945

Company Secretary
Sameer Rajkumar Lalwani
Pan No. AIDPL4094N

Chief Financial Officer
Sanjay Chauhan
Pan No. AFLPC7749G
Place : Hyderabad
Date : 25th May 2022

Independent Director
Nikitha Tiparnapally
Din No. 07399613

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100MH1981PLC339095

Statement of Profit and Loss for the year ended 31st March 2022

Particulars	Notes	2021-2022 Amount In Rs.	2020-2021 Amount In Rs.
Revenue from operations	22	41,86,92,941	27,35,93,789
Other incomes	23	1,51,38,197	1,17,75,625
Total Income		43,38,31,138	28,53,69,414
Expenses:			
Purchase Stock in Trade	24	23,55,70,832	12,16,65,795
Changes In Inventory of Stock In Trade	25	(93,64,273)	(27,47,120)
Employee benefit expenses	26	6,53,33,445	5,61,45,929
Finance cost	27	1,28,29,576	61,45,259
Depreciation and amortization expenses	4	2,34,74,928	1,12,34,109
Other Expenses	28	6,17,86,919	5,99,00,110
Total Expenses		38,96,31,427	25,23,44,081
Profit before tax		4,41,99,711	3,30,25,333
Tax expense:			
Current tax		1,15,00,000	66,00,000
Earlier year tax		24,80,404	4,87,146
Deferred tax		13,88,382	13,08,747
Profit for the year		2,88,30,924	2,46,29,440
Other Comprehensive Income			
Items will not be reclassified to profit & loss			
Actuarial Gains/(Losses) on Employee Benefit		(22,40,700)	6,64,384
Total Comprehensive Income		2,65,90,224	2,52,93,824
Earning per share on Equity Shares of Rs. 10 each	31		
- Basic & Diluted		1.15	0.98

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date

For D Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W

Mukesh U. Jha

Partner

Membership No.: 125024

Place : Mumbai

Date : 25th May 2022

For and on behalf of the Board of Directors

Managing Director

Jagan Mohan Reddy Thumma

Din No. 06554945

Independent Director

Nikitha Tiparnapally

Din No. 07399613

Place : Hyderabad

Date : 25th May 2022

Company Secretary

Sameer Rajkumar Lalwani

Pan No. AIDPL4094N

Chief Financial Officer

Sanjay Chauhan

Pan No. AFLPC7749G

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100MH1981PLC339095

Cash Flow Statement For The Year Ended March 31, 2022

Particulars	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
A. Cash Flow From Operating Activities :		
Net profit before tax as per statement of profit and loss	4,41,99,711	3,30,25,333
<u>Adjustments for :</u>		
Depreciation	2,34,74,928	1,12,34,109
Interest Income	(75,67,989)	(88,21,380)
Provision for Gratuity	12,80,500	15,64,438
Interest Expenses	1,28,29,576	61,45,259
Operating Cash Flow Before Changes in Working Capital	7,42,16,726	4,31,47,759
Changes in current assets and liabilities		
(Increase)/ Decrease in trade receivables	38,47,857	(1,38,02,491)
(Increase)/ Decrease in Inventories	(93,64,273)	(66,05,422)
(Increase)/ Decrease in Loans	4,20,19,356	1,56,23,804
(Increase)/ Decrease in Other Current and Non-Current Assets	(28,59,364)	(3,01,08,586)
Increase/ (Decrease) in Trade Payables	(1,10,00,997)	3,31,73,521
Increase/ (Decrease) in Other Current Liabilities	11,80,03,325	11,56,743
Cash Generated From Operations	21,48,62,630	4,25,85,327
Payment of Taxes (Net of Refunds)	(1,19,49,408)	(73,91,477)
Net Cash Flow From Operating Activities (A)	20,29,13,222	3,51,93,850
B. Cash Flow From Investing Activities :		
Payment of property, plant & equipments & Intangibles	(1,51,48,906)	(7,72,95,561)
Interest income	75,67,989	5,93,995
Net Cash Flow From Investment Activities (B)	(75,80,917)	(7,67,01,566)
C. Cash Flow From Financing Activities :		
Dividend Paid	(1,24,32,472)	(1,23,32,537)
(Repayment) / Borrowing from financial institutions/Others	(1,89,29,524)	6,74,64,365
Financial Expenses	(1,28,29,576)	(61,45,259)
Net Cash From / (Used In) Financing Activities (C)	(4,41,91,572)	4,89,86,569
Net Increase In Cash Or Cash Equivalents (A+B+C)	15,11,40,733	74,78,854
Cash And Cash Equivalents At The Beginning Of The Year	98,90,592	24,11,738
Cash And Cash Equivalents As At The End Of The Year	16,10,31,325	98,90,592

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date

For Dkothary & Co.,

Chartered Accountants

Firm Registration No. 105335W

Mukesh U. Jha

Partner

Membership No.: 125024

Place : Mumbai

Date : 25th May 2022

For and on behalf of the Board of Directors

Managing Director

Jagan Mohan Reddy Thumma

Din No. 06554945

Company Secretary

Sameer Rajkumar Lalwani

Pan No. AIDPL4094N

Independent Director

Nikitha Tiparnapally

Din No. 07399613

Place : Hyderabad

Date : 25th May 2022

Chief Financial Officer

Sanjay Chauhan

Pan No. AFLPC7749G

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Statement of Changes in Equity for the year ended 31st March 2022

Note A :- Equity share Capital

PARTICULARS	Note	Amount In Rs.
As at 1st April 2020		25,16,69,400
Changes in Equity share capital during the year		-
As at 31st March 2021		25,16,69,400
Changes in Equity share capital during the year		-
As at 31st March 2022	12	25,16,69,400

Note B : Other Equity

Particulars	Reserves & Surplus			Statutory Reserves	Other Comprehensive Income	Total Other Equity
	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance as at April 1, 2020	3,86,64,480	3,15,22,620	3,87,20,463	1,23,88,966	(8,59,511)	12,04,37,018
Profit for the year	-	-	2,46,29,440	-	-	2,46,29,440
Other Comprehensive Income for the year	-	-	-	-	6,64,384	6,64,384
Total Comprehensive Income for the year	3,86,64,480	3,15,22,620	6,33,49,903	1,23,88,966	(1,95,127)	14,57,30,842
Dividends/Tax on Dividend	-	-	(1,25,83,470)	-	-	(1,25,83,470)
Restated as per Ind AS 116	-	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	-	-	-
Balance as at March 31, 2021	3,86,64,480	3,15,22,620	5,07,66,433	1,23,88,966	(1,95,127)	13,31,47,372
Profit for the year	-	-	2,88,30,924	-	-	2,88,30,924
Other Comprehensive Income for the year	-	-	(22,40,700)	-	-	(22,40,700)
Total Comprehensive Income for the year	3,86,64,480	3,15,22,620	7,73,56,657	1,23,88,966	(1,95,127)	15,97,37,597
Dividends/Tax on Dividend	-	-	(1,25,83,470)	-	-	(1,25,83,470)
Recomputation as per Ind AS 116	-	-	-	-	-	-
Balance as at March 31, 2022	3,86,64,480	3,15,22,620	6,47,73,187	1,23,88,966	(1,95,127)	14,71,54,127

As per our report of even date

For Dkothary & Co.,
Chartered Accountants
Firm Registration No. 105335W

Mukesh u. Jha
Partner
Membership No.: 125024

For and on behalf of the Board of Directors

Managing Director
Jagan Mohan Reddy Thumma
Din No. 06554945

Company Secretary
Sameer Rajkumar Lalwani
Pan No. AIDPL4094N

Independent Director
Nikitha Tiparnapally
Din No. 07399613

Chief Financial Officer
Sanjay Chauhan
Pan No. AFLPC7749G

Place : Mumbai
Date : 25th May 2022

Place : Hyderabad
Date : 25th May 2022

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the financial statements for the year ended March 31, 2022

1. Company overview

Magellanic Cloud Limited ("the Company") has its place of business in Hyderabad and registered office is in Mumbai.

2. Basis of preparation of financial statements

a) Accounting convention

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) Amendment Rules, 2016

b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

c) Key accounting judgement, estimates and assumptions

The preparation of the financial statements required the management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

d) Functional and presentation currency

The functional and presentation currency of the Company is the Indian Rupee.

e) Foreign currency transaction

Foreign currency transactions are translated at the exchange rate that approximates the prevalent exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are translated at the year-end rate. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

3. Significant Accounting Policies

The Company has applied the following accounting policies to all periods presented in the financial statements.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the financial statements for the year ended March 31, 2022

a) Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services, net of indirect taxes, discounts, rebates, credits, price concessions, incentives, performance bonuses, penalties, or other similar items, as described below.

Sale of Goods and services

Sales are recognised when the significant risks and rewards of ownership of the services are transferred to the buyer as per terms of contract. Income and fees from services are accounted as per terms of relevant contractual agreements/arrangements.

Interest Income

Interest income is recognised on accrual basis as per the terms of relevant contracts or by using the effective interest method, where applicable.

Investment income

Incomes from investments are accounted on an accrual basis.

b) Property, Plant and Equipment

i) Recognition and measurement: Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to an item of fixed asset are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance are charged to the Statement of Profit and Loss during the financial year in which they are incurred.

ii) Depreciation: Land is not depreciated. Depreciation of other items of Property, Plant and Equipment are provided on a straight line basis over the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013 or based on technical evaluation of the asset. Estimated useful life of items of property, plant and equipment are as follows:

Type of Asset	Estimated Useful Life
Freehold Land	N.A
Furniture & Fittings	10 years
Computers & Printers	3 years
Motor Vehicles	8 years
Office Equipment's	5 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company assesses at each balance sheet date whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the financial statements for the year ended March 31, 2022

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised within operating profit in the Income statement.

c) Financial Instruments

Financial Assets

The Company classifies its financial assets in the following categories:

i) Financial assets at amortised cost - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss if any.

Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances.

ii) Equity investments - Investment in subsidiaries are stated at cost. All other equity investments are measured at fair value, except for certain unquoted equity investments which are carried at cost where the fair value of these investments cannot be reliably measured.

iii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI) - For investments which are not held for trading purposes and where the company has exercised the option to classify the investment as at FVTOCI, all fair value changes on the investment are recognized in OCI. The accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.

iv) Financial assets at Fair Value through Profit and loss (FVTPL) - Financial assets other than the equity investments and investment classified as FVTOCI are measured at FVTPL. These include surplus funds invested in mutual funds etc.

v) Impairment of financial assets - The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Financial liabilities

Initial recognition and measurement

Financial liabilities are measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the financial statements for the year ended March 31, 2022

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

d) Inventories

Inventories are stated at the lower of cost and net realisable value, less any provision for obsolescence. Cost is determined on the following basis:

- purchased traded goods are recorded at cost on a first-in, first-out ("FIFO") basis.
- finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity and are moved out of inventory on a FIFO basis.

Net realisable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal

e) Employee benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans:

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan:

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a Trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it accrues for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Statement of Profit and Loss. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the financial statements for the year ended March 31, 2022

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

f) 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.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

g) Income Tax

a) Current Income Tax

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

b) Deferred Tax:

Deferred tax is provided using the balance sheet approach on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity, in which case the deferred tax is recognised in Other Comprehensive Income and equity respectively.

h) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the financial statements for the year ended March 31, 2022

circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

i) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cash-flows. The cash flow from operating, investing and financing activities of the Company are segregated.

j) Earnings per share

The Company presents Basic and Diluted earnings per share data for its equity shares. Basic and Diluted earnings per share is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

k) Contingent Liabilities

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

l) Borrowing Costs

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use i.e. when they are capable of commercial production. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

m) Useful economic lives and impairment of other assets

Property, plant and equipment other than mining rights are depreciated over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values. The Company also reviews its property, plant and equipment, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the financial statements for the year ended March 31, 2022

equipment for impairment, factors leading to significant reduction in profits such as changes in prices, the Company's business plans and changes in regulatory environment are taken into consideration.

The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of the assets.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the Financial Statements for the year ended 31st March, 2022

Note 4 : Property, Plant & Equipment

Particulars	Gross block				Accumulated depreciation			Net block		
	Balance as at 1 April, 2021	Additions	Deductions	Balance as at 30 March, 2022	Balance as at 1 April, 2021	Depreciation for the year	Eliminated on disposal of assets	Balance as at 30 March, 2022	Balance as at 30 March, 2022	Balance as at 31 March, 2021
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Property, Plant & Equipment										
Right of Use of Office Building	9,46,82,040	-	-	9,46,82,040	78,90,170	1,89,36,408	-	2,68,26,578	6,78,55,462	8,67,91,870
Office Building	7,89,60,500	-	-	7,89,60,500	7,21,464	12,47,576	-	19,69,040	7,69,91,460	7,82,39,036
Computer & Printer	41,32,879	3,73,535	-	45,06,414	29,20,037	8,02,272	-	37,22,309	7,84,105	12,12,842
Office equipment	16,26,760	1,04,40,250	-	1,20,67,010	4,04,359	9,05,885	-	13,10,245	1,07,56,765	12,22,401
Vehicle	1,12,91,132	24,65,278	-	1,37,56,410	29,79,800	15,48,405	-	45,28,204	92,28,206	83,11,332
Furniture and Fixture	1,75,090	18,69,843	-	20,44,933	47,929	34,382	-	82,312	19,62,621	1,27,161
Total	19,08,68,402	1,51,48,906	-	20,60,17,307	1,49,63,760	2,34,74,928	-	3,84,38,688	16,75,78,620	17,59,04,642

Previous Year

Particulars	Gross block				Accumulated depreciation			Net block		
	Balance as at 1 April, 2020	Additions	Deductions	Balance as at 31 Mar, 2021	Balance as at 1 April, 2020	Depreciation for the year	Eliminated on disposal of assets	Balance as at 31 Mar, 2021	Balance as at 31 Mar, 2021	Balance as at 31 March, 2020
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Property, Plant & Equipment										
Right of Use of Office Building	4,77,70,402	9,46,82,040	4,77,70,402	9,46,82,040	92,71,549	78,90,170	92,71,549	78,90,170	8,67,91,870	3,84,98,853
Office Building	-	7,89,60,500	-	7,89,60,500	-	7,21,464	-	7,21,464	7,82,39,036	-
Computer & Printer	41,32,879	-	-	41,32,879	18,33,239	10,86,798	-	29,20,037	12,12,842	22,99,640
Office equipment	8,61,699	7,65,061	-	16,26,760	2,26,703	1,77,657	-	4,04,359	12,22,401	6,34,997
Vehicle	1,12,91,132	-	-	1,12,91,132	16,38,414	13,41,386	-	29,79,800	83,11,332	96,52,718
Furniture and Fixture	1,75,090	-	-	1,75,090	31,295	16,634	-	47,929	1,27,161	1,43,795
Total	6,42,31,203	17,44,07,601	4,77,70,402	19,08,68,402	1,30,01,200	1,12,34,109	92,71,549.00	1,49,63,760	17,59,04,642	5,12,30,003

NOTE 4(i) :- The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

Magellanic Cloud Limited (formerly known as South India Projects Limited)

Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
Note 5 :- Investments (Non Current)		
Investment in Wholly owned Subsidiary (Non Trade)		
1,150 common stock of JNIT Technologies INC of 1\$ each	26,00,00,000	26,00,00,000
Total	26,00,00,000	26,00,00,000
Note 6 :- Other Non Current Assets (Unsecured, Considered Good)		
Capital Advances	-	-
Security deposits	2,38,33,383	2,34,81,978
Total	2,38,33,383	2,34,81,978
Note 7 :- Inventories		
Traded Goods	1,59,69,695	66,05,422
Total	1,59,69,695	66,05,422
Note 8 :- Trade Receivables (Unsecured)		
Considered Good	1,73,81,805	2,12,29,662
Considered Doubtful	-	-
Less : Allowance for Bad and Doubtful Debts	-	-
Total	1,73,81,805	2,12,29,662
Trade Receivables Ageing Schedule		
1. Undisputed Trade Receivable - Considered Good		
Oustanding from following periods from due date of Payment		
Less than 6 months	99,80,909	1,89,88,167
6 months to 1 year	37,19,831	8,34,141
1 to 2 years	36,81,066	14,07,355
2 to 3 years	-	-
More than 3 years	-	-
Total	1,73,81,805	2,12,29,662

Magellanic Cloud Limited (formerly known as South India Projects Limited)

Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
Note 9 :- Cash And Cash Equivalents		
Balances with banks		
(i) In current accounts	12,90,46,274	41,66,255
(ii) Earmarked account	2,61,57,528	10,06,525
(iii) Deposit account	16,12,523	10,00,000
Cash on hand	42,15,000	37,17,812
Total	16,10,31,325	98,90,592
Note 10 :- Loans (Current)		
Inter Corporate Deposit	4,39,31,074	8,59,50,430
Total	4,39,31,074	8,59,50,430
Note 11 :- Other Current Assets		
Balances with government authorities	76,19,467	1,13,40,985
Prepaid Expenses	43,11,897	54,29,814
Other Receivables	2,74,611	99,953
Branch	-	0
Advance to Suppliers & Expenses	17,82,128	5,86,819
Advance to staff	80,98,081	21,20,655
Total	2,20,86,184	1,95,78,226

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the Financial Statements for the year ended 31st March, 2022

NOTE 12 (a) :- EQUITY CAPITAL

PARTICULARS	As at March 31, 2022	As at March 31, 2021
	Amount In Rs.	Amount In Rs.
AUTHORISED SHARE CAPITAL		
5,50,00,000 (Previous Year 3,00,00,000) Equity Shares of Rs.10 each	55,00,00,000	30,00,00,000
Total	55,00,00,000	30,00,00,000
ISSUED, SUBSCRIBED AND PAID UP		
2,51,66,940 (P.Y 2,51,66,940) Equity Shares of Rs.10 each fully paid up	25,16,69,400	25,16,69,400
Total	25,16,69,400	25,16,69,400

NOTE 12 (b) :- The company has only one class of equity with a par value of Rs. 10/- per share. Each holder of equity shares is entitle to one vote per share.

NOTE 12 (c) :- The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2022 and March 31, 2021 is set out below

PARTICULARS	As at March 31,2022		As at March 31, 2021	
	No. of shares held	Amount In Rs.	No. of shares held	Amount In Rs.
Equity Shares				
Number of shares at the beginning	2,51,66,940	25,16,69,400	2,51,66,940	25,16,69,400
Less: Buy Back	-	-	-	-
Add : Bonus Issue	-	-	-	-
Number of shares at the end	2,51,66,940	25,16,69,400	2,51,66,940	25,16,69,400

NOTE 12 (d) :- Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31,2022		As at March 31, 2021	
	No. of shares held	% holding	No. of shares held	% holding
Equity shares with voting rights				
Joseph Sudheer Reddy Thumma	1,15,77,056	46.00%	1,15,77,056	46.00%
Jagan Mohan Reddy Thumma	23,50,000	9.34%	23,50,000	9.34%
Dennis Reddy Thumma	16,00,000	6.36%	16,00,000	6.36%
Innamma Reddy Thumma	13,79,649	5.48%	13,79,649	5.48%

NOTE 12 (e) :- Shares held by promoters at the end of the year

Name of Promoter/Promoter Group	No. of Shares Held	% holding	No. of Shares Held PY	% Change during the year
Joseph Sudheer Reddy Thumma	1,15,77,056	46.00%	1,15,77,056	0.00%
Jagan Mohan Reddy Thumma	23,50,000	9.34%	23,50,000	0.00%
Dennis Reddy Thumma	16,00,000	6.36%	16,00,000	0.00%
Innamma Reddy Thumma	13,79,649	5.48%	13,79,649	0.00%

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
Note 13: Other Equity		
General Reserve	3,15,22,620	3,15,22,620
Securities premium	3,86,64,480	3,86,64,480
Less : Transfer	-	-
	3,86,64,480	3,86,64,480
Statutory Reserve	1,23,88,966	1,23,88,966
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	5,07,66,433	3,87,20,463
Add: Profit / (Loss) for the year	2,88,30,924	2,46,29,440
	7,95,97,357	6,33,49,903
Less:		
Interim Dividend	1,25,83,470	1,25,83,470
Closing balance	6,70,13,887	5,07,66,433
Other Comprehensive Income	(24,35,827)	(1,95,127)
Total	14,71,54,127	13,31,47,372
Note 14 :- Borrowings (Non Current)		
Term loans (Secured)		
Loan from financial institutions & Banks	6,13,69,431	6,44,79,942
Term loans (Unsecured)		
Loan from financial institutions & Banks	1,15,15,203	82,70,866
Total	7,28,84,634	7,27,50,808
- Vehicle Loan from Yes Bank, Kotak Mahindra Bank and kotak Mahindra Prime Ltd is to be paid in 37 to 60 equal monthly installment carrying interest rate 8.85% to 10% and maturity between February 2023 till February 2025.		
- Property Loan from Yes Bank is to be paid in 156 equal monthly installment carrying interest rate 9.8% and maturity at September 2033.		
- Unsecured Loan from various Banks and Financial Institutions is to be paid in 36 to 60 equal monthly installment carrying interest rate in range 17% to 26.91%.		
Note 15 :- Provisions (Non Current)		
Provision for Gratuity	67,44,767	35,22,354
Total	67,44,767	35,22,354
NOTE 16 :- Deferred Tax Liability (net)		
Tax effect of items constituting deferred tax liability		
On account of fixed assets, Ind AS and 43 B	31,35,597	17,47,215
Total	31,35,597	17,47,215

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
<u>Note 17 :- Borrowings (Current)</u>		
Secured		
From Bank	24,03,800	24,51,460
Current maturities of long term borrowings	1,09,27,548	82,62,104
Total	1,33,31,348	1,07,13,564
<u>NOTE 18 :- Trade Payable</u>		
Total outstanding dues of micro & small enterprises	-	-
Total outstanding dues of creditors other than micro & small enterprises	2,21,72,524	3,31,73,521
Total	2,21,72,524	3,31,73,521
Trade Payables Ageing Schedule		
1. OTHERS		
Outstanding for following periods from due date of payment		
Less than 1 year	1,93,95,448	3,27,32,858
1 to 2 years	27,77,076	4,40,664
2 to 3 years	-	-
More than 3 years	-	-
	2,21,72,524	3,31,73,521
<u>Note 19 :- Other Financial Liabilities (Current)</u>		
(a) Unclaimed dividends	10,97,323	9,46,325
(b) Deposit Received	24,30,000	24,30,000
Total	35,27,323	33,76,325
<u>Note 20 :- Provisions (Current)</u>		
Provision for Gratuity	5,78,158	2,79,371
Total	5,78,158	2,79,371
<u>Note 21 :- Other Current Liabilities (Current)</u>		
Statutory liabilities	26,87,879	38,34,323
Salary Payable	43,88,533	34,56,925
Advance from Customers	11,82,82,200	64,039
Total	12,53,58,612	73,55,287

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	2021-2022 Amount in Rs.	2020-2021 Amount in Rs.
<u>Note 22 :- Revenue from Operations</u>		
Service Income	16,26,47,619	14,25,39,987
Sale of Products	25,38,35,372	12,85,52,548
Other Operating Revenue	22,09,950	25,01,254
Total	41,86,92,941	27,35,93,789
<u>Note 23 :- Other Incomes</u>		
Interest Income	75,67,989	88,21,380
Other Income	9,61,208	-
Rent Income	66,09,000	29,54,245
Total	1,51,38,197	1,17,75,625
<u>Note 24 :- Purchase Stock in Trade</u>		
Purchase Stock In trade	23,55,70,832	12,16,65,795
Total	23,55,70,832	12,16,65,795
<u>Note 25 :- Changes In Inventory of Stock In Trade</u>		
Opening stock Traded Goods	66,05,422	38,58,301
Closing stock Traded Goods	1,59,69,695	66,05,422
	(93,64,273)	(27,47,120)
Changes in inventories of Stock in Trade	(93,64,273)	(27,47,120)
<u>Note 26 :- Employee Benefit Expenses</u>		
Salary, wages, bonus and allowances	6,11,65,009	5,28,54,646
Contribution to Provident Fund and Other Funds	23,69,009	30,65,546
Employee welfare and other amenities	17,99,427	2,25,737
Total	6,53,33,445	5,61,45,929

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	2021-2022 Amount in Rs.	2020-2021 Amount in Rs.
<u>Note 27 :- Finance Costs</u>		
Interest on Loan	97,01,553	46,58,570
Interest on Leased Assets	28,18,866	2,28,821
Other finance charges	3,09,157	12,57,868
Total	1,28,29,576	61,45,259
<u>Note 28 :- Other Expenses</u>		
Audit Fees	3,40,000	2,31,000
Bank charges	2,56,250	1,55,189
Sundry Expenses	13,77,631	24,09,361
Advertisement & Business Promotion	7,68,600	3,00,443
Professional Fees	96,32,022	47,42,486
IT Enabled Expenses	1,12,00,000	3,52,00,000
Rates & Taxes	24,24,323	63,118
Rent Expenses	48,00,785	53,77,412
Telephone & Internet Charges	13,45,696	12,71,888
Insurance Charges	4,24,205	9,61,644
Electricity Expenses	1,31,410	3,65,892
Foreign Exchange Fluctuation	12,01,275	7,02,630
Freight & Labour Charges	1,24,09,206	40,20,800
Printing Expenses	4,90,236	3,09,579
Repairs & Maintenance	93,25,806	35,97,214
Bad Debts	16,81,829	-
Conveyance & Travelling	39,77,646	1,91,454
Total	6,17,86,919	5,99,00,110

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Notes to the Financial Statements for the year ended 31st March, 2022

Note 29 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

	Ratio Analysis	Numerator	Denominator	31-Mar-22	31-Mar-21	Variance	Remarks
1	Current Ratio	Current Assets	Current Liabilities	1.54	2.50	-38.46%	Due to decrease in current assets
2	Debt Equity Ratio	Total Liabilities	Sharholder's Equity	0.22	0.22	-0.33%	
3	Debt Service Coverage Ratio	Net Operating Income	Debt Service	328.32%	429.79%	-23.61%	
4	Return on Equity Ratio	Net Profit after taxes	Avg. Shareholders Equity	7.36%	6.51%	13.07%	
5	Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	20.04	36.01	-44.34%	Due to increase in inventory
6	Trade Receivables Turnover Ratio	Net Credit Sales	Average Trade Receivables	21.69	19.09	13.58%	
7	Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	8.51	7.34	16.05%	
8	Net Capital Turnover Ratio	Net Sales	Average Working Capital	4.60	3.18	44.46%	Due to increase in sales
9	Net Profit Ratio	Net Profit	Net Sales	6.89%	9.00%	-23.51%	
10	Return on Capital employed	EBIT	Capital Employed	11.62%	8.07%	44.05%	Due to increase in EBIT

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100MH1981PLC339095

Notes to the Financial Statements for the year ended 31st March, 2022

30 Related party transactions

As per Indian Accounting Standard (Ind As 24), the disclosures of transactions with the related parties are given below

30.1 Relationships during the year**(A) Key Managerial Personnel & their relatives**

Jagan Mohan Reddy Thumma
 Joseph Sudheer Reddy Thumma
 Sanjay Mahendra Chauhan (CFO)
 Jayshree Chauhan (Relative of Sanjay Chauhan)
 Varsha Chauhan (Relative of Sanjay Chauhan)
 Mamta Chauhan (Relative of Sanjay Chauhan)

(B) Wholly owned subsidiary

JNIT Technologies INC (Overseas)
 Motivity Labs INC (Overseas)
 Motivity Labs Private Limited

30.2 Related party transactions**(A) Transactions with related parties during the year :**

Particulars	March 31, 2022	March 31,2021
<u>Service Income</u>		
JNIT Technologies Inc	10,82,15,541	9,60,09,183
<u>Deposit Paid</u>		
Joseph Sudheer Reddy Thumma	2,00,00,000	2,00,00,000
<u>Rent & Reimbursement Paid</u>		
Joseph Sudheer Reddy Thumma	3,07,50,000	1,25,00,000
Sanjay Mahendra Chauhan	4,95,000	-
Jayshree Chauhan	4,95,000	-
<u>IT Enabled Expenses</u>		
Motivity Labs Private Limited	52,00,000	1,52,00,000
<u>Director Remuneration</u>		
Jagan Mohan Reddy Thumma	4,80,000	4,80,000
Sanjay Mahendra Chauhan	24,00,000	24,00,000
<u>Salary Paid</u>		
Jayshree Chauhan	12,00,000	-
Varsha Chauhan	12,00,000	-
Mamta Chauhan	15,00,000	-
<u>Account Receivable / (Payable)</u>		
JNIT Technologies Inc	(11,43,13,476)	59,65,748
Motivity Labs Private Limited	(47,62,682)	(1,67,96,000)
Joseph Sudheer Reddy Thumma	7,80,000	(10,00,000)

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100MH1981PLC339095

Notes to the Financial Statements for the year ended 31st March, 2022

31 Earnings per share

Particulars	March 31, 2022	March 31,2021
Net profit after tax as per statement of profit and loss	2,88,30,924	2,46,29,440
Weighted average number of equity shares outstanding during the year	2,51,66,940	2,51,66,940
Nominal value per equity share	10	10
Basic & Diluted Earnings per share	1.15	0.98

32 Segment Reporting

Particulars	March 31, 2022	March 31,2021
Segment Value of Sales and Services (Revenue)		
- IT Consulting Services	16,26,47,619	14,25,39,987
- FMCG product Division	25,60,45,322	13,10,53,802
Gross Value of Sales and Services	41,86,92,941	27,35,93,789
Less: Inter Segment Transfers	-	-
Revenue from Operations	41,86,92,941	27,35,93,789
Segment Results		
- IT Consulting Services	3,83,76,889	2,50,43,637
- FMCG product Division	35,14,201	23,51,330
Total	4,18,91,090	2,73,94,967
Less:		
Finance Costs	1,28,29,576	61,45,259
Other Un-allocable Income (Net of Expenditure)	(1,51,38,197)	(1,17,75,625)
Total Profit Before Tax	4,41,99,711	3,30,25,333
Segment Assets		
- IT Consulting Services	58,62,56,361	49,08,57,665
- FMCG product Division	4,85,64,265	3,35,49,377
Total	63,48,20,626	52,44,07,042
Unallocated Corporate Assets	7,69,91,460	7,82,39,036
Total Assets	71,18,12,086	60,26,46,078
Segment Liabilities		
- IT Consulting Services	21,59,41,532	12,98,04,592
- FMCG product Division	3,10,21,008	2,27,14,428
Total	24,69,62,540	15,25,19,020
Unallocated Corporate Liabilities	6,60,26,019	6,53,10,286
Total Liabilities	31,29,88,559	21,78,29,306

- 33 In the opinion of the Board, the value of realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet.
- 34 On the basis of the information available with the company, there are no micro and small scale business enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2022.
- 35 The Company has made an assessment of the impact of the continuing COVID-19 pandemic on its current and future operations, liquidity position and cash flow giving due consideration to the internal and external factors. The Company is continuously monitoring the situation and does not foresee any significant impact on its operations and the financials position as at March 31, 2022.

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100MH1981PLC339095

Notes to the Financial Statements for the year ended 31st March, 2022

36 Other Statutory Information

- i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company do not have any transactions with companies struck off.
- iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

- iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- ix) The Company has not been declared as a Wilful Defaulter by any bank or financial institution or government or any government authority.

37 Previous Year figures

Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year.

From true extract of Books of Accounts

For D. Kothary & Co

Chartered Accountants

Firm Registration No. 105335W

Mukesh U. Jha

Partner

Membership No.: 125024

Place: Mumbai

Date : 25th May 2022

For and on behalf of Board of Directors

Managing Director

Jagan Mohan Reddy Thumma

Din No. 06554945

Independent Director

Nikitha Tiparnapally

Din No. 07399613

Place : Hyderabad

Date : 25th May 2022

Company Secretary

Sameer Rajkumar Lalwani

Pan No. AIDPL4094N

Chief Financial Officer

Sanjay Chauhan

Pan No. AFLPC7749G

INDEPENDENT AUDITOR'S REPORT

To the Members of
Magellanic Cloud Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Magellanic Cloud Limited** (herein after referred as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, 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 ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit 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 Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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 there under, 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to be disclosed.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

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

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

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

Management Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matter

- a. The accompanying Statement includes audited financial results and other financial information in respect of one subsidiary, whose financial results include total assets of Rs. 11,628.65 lakhs as at March 31, 2022, total revenues of Rs. 17,761.64 lakhs, total net profit/(loss) after tax of Rs. 2,398.98 lakhs, total comprehensive income/(loss) of Rs. 2,398.98 lakhs, for the year ended on that date respectively, and net cash inflows of Rs. 2,420 lakhs for the year ended March 31, 2022 as considered in the Statement which have been audited by their respective independent auditors. The independent auditor's report on the

financial results and other information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such auditors and the procedures performed by us.

- b. The accompanying Statement includes the unaudited financial result and other financial information, in respect of two subsidiaries, whose financial result include total assets of Rs 3,526.08 lakhs as at March 31, 2022, total revenues of Rs. 7,694.75 lakhs, total net profit/(loss) after tax of Rs. 253.83 lakhs, total comprehensive income/(loss) of Rs. 116.13 lakhs, for the year ended on that date respectively, and net cash inflows of Rs. 1,346.25 lakhs for the year ended March 31, 2022, as considered in the Statement. These financial statements and other financial information have not been audited and have been presented solely based on information compiled by the Management and approved by the Board of Directors. Accordingly, we are unable to comment on the impact, if any, on the statement of audited consolidated financial results if the same has been audited and these entities are material to the Group.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to the financial results and other financial information certified by the Board of Directors.

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 report of the other auditor on separate financial statements and the other financial information of a subsidiary as noted in the 'other matter' paragraph, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules there under.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies are disqualified as on 31st March, 2022 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 financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended 31st March, 2022 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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 Auditor's) Rules, 2014, as amended in our opinion and to the best of our

information and according to the explanations given to us and based on the consideration of the other financial information of the subsidiaries as noted in the "Other matter" paragraph:

- i. The consolidated Ind AS financial statements do not have any pending litigations which has impact on the consolidated financial position of the Group.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiaries during the year ended 31st March, 2022.
- iv.
 - (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries to or in any other person or entity, including foreign entity ("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 subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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 that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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. No dividend has been declared or paid during the year by the Holding Company and its subsidiaries, incorporated in India.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiaries included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports

For D. Kothary & Co.

Chartered Accountants

(Firm Registration No. 105335W)

Mukesh U. Jha

Partner

Membership No. 125024

UDIN: 22125024AJOSGM6704

Place: Mumbai

Date: 25th May 2022

Annexure - A

To the Independent Auditor's Report on the Consolidated Ind AS Financial Statements of Magellanic Cloud Limited

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

We have audited the internal financial controls over financial reporting of **Magellanic Cloud Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company, internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 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 control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 consolidated Ind AS 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 control system with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls with reference to 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 controls with reference to 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to 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, the Group, have in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2022, based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **D. Kothary & Co**
Chartered Accountants
(Firm Registration No. 105335W)

Mukesh U. Jha
Partner
Membership No. 125024
UDIN: 22125024AJOSGM6704
Place: Mumbai
Date: 25th May 2022

Magellanic Cloud Limited
(formerly known as South India Projects Limited)
CIN: L72100MH1981PLC339095
Consolidated Balance Sheet As at 31st March 2022

Sr. No.	Particulars	Notes	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
I.	ASSETS			
1	Non Current Assets			
	(a) Property, Plant and Equipment	4	17,84,61,285	18,24,18,138
	(b) Goodwill on Consolidation		54,60,71,798	54,20,54,643
	(c) Deferred tax assets (net)	15	2,65,72,881	2,36,97,615
	(d) Other non-current assets	5	3,33,62,309	3,34,10,864
			78,44,68,273	78,15,81,260
2	Current Assets			
	(a) Inventories	6	1,59,69,695	66,05,422
	(b) Financial Assets			
	(i) Trade receivables	7	41,48,15,309	45,33,20,659
	(ii) Cash and cash equivalents	8	58,78,82,731	5,95,78,042
	(iii) Loans	9	8,85,12,574	14,79,32,257
	(c) Current Tax Assets (net)		1,59,80,846	1,47,06,068
	(d) Other current assets	10	4,58,65,667	8,57,97,241
			1,16,90,26,822	76,79,39,688
	TOTAL		1,95,34,95,095	1,54,95,20,948
II.	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	11	25,16,69,400	25,16,69,400
	(b) Other Equity	12	52,01,95,536	28,28,54,726
	Equity attributable to owners of the company		77,18,64,936	53,45,24,126
	LIABILITIES			
1	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	13	62,87,16,002	68,11,79,228
	(ii) Lease Liabilities		4,34,33,910	6,32,29,728
	(b) Provisions	14	2,93,61,630	96,78,517
			70,15,11,542	75,40,87,473
2	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	21,86,44,016	3,80,09,956
	(ii) Lease Liabilities		1,97,95,817	2,16,81,133
	(ii) Trade Payable	17	-	-
	(a) total outstanding dues of MSE enterprises		-	-
	(b) total outstanding dues of creditors other than MSE Enterprises		9,14,26,286	6,22,74,623
	(iii) Other Financial Liabilities	18	35,27,323	33,76,325
	(b) Provisions	19	5,78,158	2,79,371
	(c) Other Current Liabilities	20	12,33,55,235	12,89,56,908
	(d) Current Tax Liabilities (Net)		2,27,91,782	63,31,033
			48,01,18,616	26,09,09,349
	TOTAL		1,95,34,95,095	1,54,95,20,948

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date

For Dkothary & Co.,
Chartered Accountants
Firm Registration No. 105335W

Mukesh U. Jha
Partner
Membership No.: 125024

Place : Mumbai
Date : 25th May 2022

For and on behalf of the Board of Directors

Managing Director
Jagan Mohan Reddy Thumma
Din No. 06554945

Company Secretary
Sameer Rajkumar Lalwani
Pan No. AIDPLA4094N

Chief Financial Officer
Sanjay Chauhan
Pan No. AFLPC7749G

Independent Director
Nikitha Tiparnapally
Din No. 07399613

Place : Hyderabad
Date : 25th May 2022

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100MH1981PLC339095

Consolidated Statement of Profit and Loss for the year ended 31st Mar 2022

Particulars	Notes	2021-22 Amount In Rs.	2020-21 Amount In Rs.
Revenue from operations	21	2,52,67,75,718	2,11,94,11,334
Other incomes	22	30,09,67,946	2,13,94,147
Total Income		2,82,77,43,664	2,14,08,05,480
Expenses:			
Purchase Stock in Trade	23	23,55,70,832	12,16,65,795
Changes In Inventory of Stock In Trade	24	(93,64,273)	(27,47,120)
Employee benefit expenses	25	1,57,63,59,156	1,46,81,90,082
Finance cost	26	1,68,87,014	99,16,198
Depreciation and amortization expenses	4	2,71,08,934	1,43,40,639
Other Expenses	27	65,31,38,855	51,73,31,680
Total Expenses		2,49,97,00,517	2,12,86,97,273
Profit before tax		32,80,43,146	1,21,08,207
Tax expense:			
Current tax		1,37,95,826	67,40,905
Earlier year tax		2,41,59,088	4,87,146
Deferred tax		(44,97,176)	(1,29,52,456)
Profit for the year		29,45,85,408	1,78,32,612
Other Comprehensive Income			
Items will not be reclassified to profit & loss			
Actuarial Gains/(Losses) on Employee Benefit		(1,60,10,523)	6,64,384
Items will be reclassified to profit & loss			
Exchange differences in translating the financial statements of foreign operations		(44,19,287)	68,81,738
Total Comprehensive Income		27,41,55,597	2,53,78,734
Total comprehensive income attributable to			
- Owners of the parent		27,41,55,597	2,53,78,734
- Non Controlling interest		-	-
Of the total comprehensive income above ,			
Profit for the year attributable to			
- Owners of the parent		29,45,85,408	1,78,32,612
- Non controlling interest		-	-
Of the total comprehensive income above ,			
Other comprehensive income for the year attributable to			
- Owners of the parent		(2,04,29,810)	75,46,122
- Non Controlling interest		-	-
Earning per share on Equity Shares of Rs. 10 each	29		
- Basic & Diluted		11.71	0.71

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date

For D Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W

Mukesh U. Jha

Partner

Membership No.: 125024

For and on behalf of the Board of Directors

Managing Director

Jagan Mohan Reddy Thumma

Din No. 06554945

Company Secretary

Sameer Rajkumar Lalwani

Pan No. AIDPL4094N

Independent Director

Nikitha Tiparnapally

Din No. 07399613

Chief Financial Officer

Sanjay Chauhan

Pan No. AFLPC7749G

Place : Mumbai

Date : 25th May 2022

Place : Hyderabad

Date : 25th May 2022

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100MH1981PLC339095

Consolidated Cash Flow Statement For The Year Ended March 31, 2022

Particulars	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
A. Cash Flow From Operating Activities :		
Net profit before tax as per statement of profit and loss	32,80,43,146	1,21,08,207
<u>Adjustments for :</u>		
Depreciation	2,71,08,934	1,43,40,639
Interest Income	(75,67,989)	(88,21,380)
Gratuity Provision	12,80,500	15,64,438
Interest Expenses	1,68,87,014	99,16,198
Operating Cash Flow Before Changes in Working Capital	36,57,51,605	2,91,08,102
Changes in current assets and liabilities		
(Increase)/ Decrease in Inventories	(93,64,273)	(66,05,422)
(Increase)/ Decrease in Trade receivables	3,85,05,350	(1,61,91,119)
(Increase)/ Decrease in Loans	5,94,19,683	1,82,27,949
(Increase)/ Decrease in Other Current and Non-Current Assets	3,99,80,129	(2,56,06,486)
Increase/(Decrease) in Other Current Liabilities	(83,99,051)	(13,40,11,175)
Increase/(Decrease) in Other Trade payable	2,91,51,662	1,24,64,973
Increase/(Decrease) in Provisions	26,90,877	(5,63,083)
Cash Generated From Operations	51,77,35,981	(12,31,76,261)
Payment of Taxes (Net of Refunds)	(2,27,68,943)	(2,41,71,368)
Net Cash Flow From Operating Activities (A)	49,49,67,038	(14,73,47,629)
B. Cash Flow From Investing Activities :		
Payment of property, plant & equipments & Intangibles	(4,88,50,369)	(21,66,99,435)
Interest income	75,67,989	88,21,380
Net Cash Flow From Investment Activities (B)	(4,12,82,380)	(20,78,78,055)
C. Cash Flow From Financing Activities :		
Dividend Paid (including dividend Tax)	(3,66,63,790)	(3,54,77,522)
(Repayment) / Borrowing from financial institutions/Others	12,81,70,834	35,62,25,987
Financial Expenses	(1,68,87,014)	(99,16,198)
Net Cash From/ (Used In) Financing Activities (C)	7,46,20,031	31,08,32,267
Net Increase In Cash Or Cash Equivalents (A+B+C)	52,83,04,688	(4,43,93,418)
Cash And Cash Equivalents At The Beginning Of The Year	5,95,78,042	10,39,71,460
Cash And Cash Equivalents As At The End Of The Year	58,78,82,731	5,95,78,042

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date

For Dkothary & Co..

Chartered Accountants

Firm Registration No. 105335W

Mukesh U. Jha

Partner

Membership No.: 125024

Place : Mumbai

Date : 25th May 2022

For and on behalf of the Board of Directors

Managing Director

Jagan Mohan Reddy Thumma

Din No. 06554945

Independent Director

Nikitha Tiparnapally

Din No. 07399613

Place : Hyderabad

Date : 25th May 2022

Company Secretary

Sameer Rajkumar Lalwani

Pan No. AIDPL4094N

Chief Financial Officer

Sanjay Chauhan

Pan No. AFLPC7749G

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Statement of Changes in Equity for the year ended 31st March 2022

Note A :- Equity share Capital

PARTICULARS	Note	Amount In Rs.
As at 1st April 2020		5,03,33,880
Changes in Equity share capital during the year		-
As at 31st March 2021		5,03,33,880
Changes in Equity share capital during the year		-
As at 31st March 2022	11	5,03,33,880

Note B : Other Equity

Particulars	Reserves & Surplus			Foreign Currency Translation Reserve	Other Comprehensive Income Retirement Benefit	Statutory Reserves	Total Other Equity attributable to Parent
	Securities Premium	General Reserve	Retained Earnings				
Balance as at 1st April 2020	3,86,64,480	3,15,22,620	18,33,58,096	2,81,29,796	(8,59,511)	1,23,88,966	29,32,04,447
Profit for the year	-	-	1,78,32,612		-	-	1,78,32,612
Other Comprehensive Income for the year, net of Income Tax	-	-	-	68,81,738	6,64,384	-	75,46,122
Total Comprehensive Income for the year	3,86,64,480	3,15,22,620	20,11,90,708	3,50,11,534	(1,95,127)	1,23,88,966	31,85,83,181
Dividends/Tax on Dividend	-	-	(3,57,28,455)	-	-	-	(3,57,28,455)
Restated as per Ind as 116	-	-	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	-	-	-	-
Balance as at March 31, 2021	3,86,64,480	3,15,22,620	16,54,62,253	3,50,11,534	(1,95,127)	1,23,88,966	28,28,54,726
Profit for the year	-	-	29,45,85,408		-	-	29,45,85,408
Other Comprehensive Income for the year, net	-	-	-	(44,19,287)	(1,60,10,523)	-	(2,04,29,810)
Total Comprehensive Income for the year	3,86,64,480	3,15,22,620	46,00,47,661	3,05,92,247	(1,62,05,650)	1,23,88,966	55,70,10,324
Restated as per Ind as 116	-	-	-	-	-	-	-
Dividend including Dividend tax	-	-	(3,68,14,788)	-	-	-	(3,68,14,788)
	-	-	-	-	-	-	-
Balance as at March 31, 2022	3,86,64,480	3,15,22,620	42,32,32,873	3,05,92,247	(1,62,05,650)	1,23,88,966	52,01,95,536

As per our report of even date

For Dkothary & Co
Chartered Accountants
Firm Registration No. 105335W

Mukesh U. Jha
Partner
Membership No.: 125024

For and on behalf of the Board of Directors

Managing Director
Jagan Mohan Reddy Thumma
Din No. 06554945

Independent Director
Nikitha Tiparnapally
Din No. 07399613

Company Secretary
Sameer Rajkumar Lalwani
Pan No. AIDPL4094N

Chief Financial Officer
Sanjay Chauhan
Pan No. AFLPC7749G

Place : Mumbai
Date : 25th May 2022

Place : Hyderabad
Date : 25th May 2022

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the financial statements for the year ended March 31, 2022

1. Company overview

Magellanic Cloud Limited ("the Company") has its place of business in Hyderabad and registered office is in Mumbai.

2. Basis of preparation of financial statements

a) Accounting convention

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) Amendment Rules, 2016

b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

Subsidiaries included in consolidation

Name of Enterprises	Country	Nature of Business	Controlling Interest
JNIT Technologies Inc	USA	IT Consultancy	100%
Motivity Labs Inc	USA	IT Consultancy	100%
Motivity Labs Pvt Ltd	India	IT Consultancy	100%

c) Key accounting judgement, estimates and assumptions

The preparation of the financial statements required the management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

d) Functional and presentation currency

The functional and presentation currency of the Company is the Indian Rupee.

e) Foreign currency transaction

Foreign currency transactions are translated at the exchange rate that approximates the prevalent exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are translated at the year-end rate. Non-monetary assets and liabilities

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the financial statements for the year ended March 31, 2022

denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

3. Significant Accounting Policies

The Company has applied the following accounting policies to all periods presented in the financial statements.

Basis of Consolidation

Subsidiaries

The consolidated financial statements incorporate the results of Magellanic Cloud Limited and its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group. Intra-Group balances and transactions, and any unrealized income and expenses arising from intra- Group transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated unless costs cannot be recovered.

a) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents receivable for goods supplied, stated net of taxes, discounts, returns and value added taxes. The company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

Sale of Goods and services

Sales are recognised when the significant risks and rewards of ownership of the goods or services are transferred to the buyer as per terms of contract. Income and fees from services are accounted as per terms of relevant contractual agreements/arrangements.

Interest Income

Interest income is recognised on accrual basis as per the terms of relevant contracts or by using the effective interest method, where applicable

Investment income

Incomes from investments are accounted on an accrual basis.

b) Property, Plant and Equipment

i) Recognition and measurement: Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to an item of fixed asset are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance are charged

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the financial statements for the year ended March 31, 2022

to the Statement of Profit and Loss during the financial year in which they are incurred.

- ii) **Depreciation:** Depreciation of other items of Property, Plant and Equipment are provided on a straight line basis over the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013 or based on technical evaluation of the asset. Estimated useful life of items of property, plant and equipment are as follows:

Type of Asset	Estimated Useful Life
Freehold Land	N.A
Furniture & Fittings	5-10 years
Computers & Printers	3-5 years
Motor Vehicles	5-8 years
Office Equipment's	5 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company assesses at each balance sheet date whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised within operating profit in the Income statement.

c) Financial Instruments

Financial Assets

The Company classifies its financial assets in the following categories:

- i) **Financial assets at amortised cost** - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss if any.

Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances.

- ii) **Equity investments** - Investment in subsidiaries/associates are stated at cost. All other equity investments are measured at fair value, except for certain unquoted equity investments which are carried at cost where the fair value of these investments cannot be reliably measured.

- iii) **Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)** - For investments which are not held for trading purposes and where the company has

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the financial statements for the year ended March 31, 2022

exercised the option to classify the investment as at FVTOCI, all fair value changes on the investment are recognized in OCI. The accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.

- iv) **Financial assets at Fair Value through Profit and loss (FVTPL)** - Financial assets other than the equity investments and investment classified as FVTOCI are measured at FVTPL. These include surplus funds invested in mutual funds etc.
- v) **Impairment of financial assets** - The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Financial liabilities

Initial recognition and measurement

Financial liabilities are measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

d) Inventories

Inventories are stated at the lower of cost and net realisable value, less any provision for obsolescence. Cost is determined on the following basis:

- purchased traded goods are recorded at cost on a first-in, first-out ("FIFO") basis.
- finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity and are moved out of inventory on a FIFO basis.

Net realisable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

e) Employee benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans:

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the financial statements for the year ended March 31, 2022

The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan:

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a Trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it accrues for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Statement of Profit and Loss. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

f) 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.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the financial statements for the year ended March 31, 2022

g) Income Tax

a) Current Income Tax

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

b) Deferred Tax:

Deferred tax is provided using the balance sheet approach on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity, in which case the deferred tax is recognised in Other Comprehensive Income and equity respectively.

h) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

i) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cash-flows. The cash flow from operating, investing and financing activities of the Company are segregated.

j) Earnings per share

The Company presents Basic and Diluted earnings per share data for its equity shares. Basic and Diluted earnings per share is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the financial statements for the year ended March 31, 2022

k) Contingent Liabilities

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

l) Borrowing Costs

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use i.e. when they are capable of commercial production. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

m) Useful economic lives and impairment of other assets

Property, plant and equipment other than mining rights are depreciated over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values. The Company also reviews its property, plant and equipment, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as changes in prices, the Company's business plans and changes in regulatory environment are taken into consideration.

The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of the assets.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

Note 4 : Property, Plant & Equipment

Particulars	Gross block			Accumulated depreciation				Net block		
	Balance as at 1 April, 2021	Additions	Disposals / Adjustment	Balance as at 31 Mar, 2022	Balance as at 1 April, 2021	Depreciation / amortisation expense for the year	Disposal / Adjustment	Balance as at 31 Mar, 2022	Balance as at 31 Mar, 2022	Balance as at 31 March, 2021
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Property, Plant & Equipment										
Right to Use office Building	9,46,82,040	-	-	9,46,82,040	78,90,170	1,89,36,408	-	2,68,26,578	6,78,55,462	8,67,91,870
Office Building	7,89,60,500	-	-	7,89,60,500	7,21,464	12,47,576	-	19,69,040	7,69,91,460	7,82,39,036
Computer & Printer	1,59,54,402	83,18,136	(1,05,965)	2,43,78,503	92,04,088	39,12,049	(59,430)	1,31,75,567	1,12,02,936	67,50,314
Office equipment	8,61,699	1,04,40,250	-	1,13,01,949	4,04,359	9,05,885	-	13,10,245	99,91,705	4,57,340
Vehicle	1,51,67,128	24,65,278	(33,770)	1,76,66,175	54,10,280	18,98,078	(25,423)	73,33,781	1,03,32,395	97,56,848
Furniture and Fixture	44,09,990	18,69,843	(45,964)	63,25,797	39,87,260	2,08,938	(42,272)	42,38,470	20,87,327	4,22,730
Total	21,00,35,759	2,30,93,507	(1,85,699)	23,33,14,965	2,76,17,621	2,71,08,934	(1,27,126)	5,48,53,681	17,84,61,285	18,24,18,138

Previous Year

Particulars	Gross block			Accumulated depreciation				Net block		
	Balance as at 1 April, 2020	Additions	Disposals / Adjustment	Balance as at 31 Mar, 2021	Balance as at 1 April, 2020	Depreciation / amortisation expense for the year	Disposal / Adjustment	Balance as at 31 Mar, 2021	Balance as at 31 Mar, 2021	Balance as at 31 March, 2020
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(A) Property, Plant & Equipment										
Right to Use office Building	4,77,70,402	9,46,82,040	4,77,70,402	9,46,82,040	92,71,549	78,90,170	92,71,549	78,90,170	8,67,91,870	3,84,98,853
Office Building	-	7,89,60,500	-	7,89,60,500	-	7,21,464	-	7,21,464	7,82,39,036	-
Computer & Printer	1,35,11,941	27,04,662	2,62,200	1,59,54,402	59,55,847	33,74,935	1,26,694	92,04,088	67,50,314	75,56,094
Office equipment	8,61,699	-	-	8,61,699	2,26,703	1,77,657	-	4,04,359	4,57,340	6,34,997
Vehicle	1,44,81,685	7,65,061	79,618	1,51,67,128	37,95,630	16,71,923	57,272	54,10,280	97,56,848	1,06,86,055
Furniture and Fixture	45,18,373	-	1,08,383	44,09,990	35,76,311	5,04,491	93,541	39,87,260	4,22,730	9,42,063
Total	8,11,44,100	17,71,12,263	4,82,20,604	21,00,35,759	2,28,26,039	1,43,40,639	95,49,057	2,76,17,621	18,24,18,138	5,83,18,061

NOTE 4(i) :- The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
Note 5 :- Other Non Current Assets (Unsecured, Considered Good)		
Security deposits	3,33,62,309	3,34,10,864
Total	3,33,62,309	3,34,10,864
Note 6 :- Inventories		
Traded Goods	1,59,69,695	66,05,422
Total	1,59,69,695	66,05,422
Note 7 :- Trade Receivables (Unsecured)		
Considered Good	41,48,15,309	45,33,20,659
Considered Doubtful	-	-
Less : Allowance for Bad and Doubtful Debts	-	-
Total	41,48,15,309	45,33,20,659
Trade Receivables Ageing Schedule		
1. Undisputed Trade Receivable - Considered Good Outstanding from following periods from due date of Payment		
Less than 6 months	38,11,59,169	34,40,41,248
6 months to 1 year	2,09,68,662	3,40,68,626
1 to 2 years	94,04,282	6,57,86,191
2 to 3 years	22,81,087	81,74,949
More than 3 years	10,02,110	12,49,646
Total	41,48,15,309	45,33,20,659
Note 8 :- Cash And Cash Equivalent		
Balances with banks		
(i) In current accounts	55,38,15,816	5,38,53,706
(ii) Earmarked account	2,61,57,528	10,06,525
(iii) Deposit account	36,94,387	10,00,000
Cash on hand	42,15,000	37,17,812
Total	58,78,82,731	5,95,78,042

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
Note 9 :- Loans (Current)		
Inter Corporate Deposit	4,39,31,074	8,59,50,430
Loan and Advances to Others	4,45,81,500	6,19,81,827
Total	8,85,12,574	14,79,32,257
Note 10 :- Other Current Assets		
Balances with government authorities	2,42,09,935	3,10,74,027
Prepaid Expenses	32,86,647	4,34,68,754
Advance to staff	1,58,76,216	1,05,67,689
Other receivables	2,74,611	99,953
Advance for Expenses	22,18,258	5,86,819
Total	4,58,65,667	8,57,97,241

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

NOTE 11 (a) :- EQUITY CAPITAL

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
AUTHORISED SHARE CAPITAL		
5,50,00,000 (Previous Year 3,00,00,000) Equity Shares of Rs.10 each	55,00,00,000	30,00,00,000
Total	55,00,00,000	30,00,00,000
ISSUED, SUBSCRIBED AND PAID UP		
2,51,66,940 (Previous Year 2,51,66,940) Equity Shares of Rs.10 each fully paid up	25,16,69,400	25,16,69,400
Total	25,16,69,400	25,16,69,400

NOTE 11 (b) :- The company has only one class of equity with a par value of Rs. 10/- per share. Each holder of equity shares is entitle to one vote per share.

NOTE 11 (c) :- The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2022 and March 31, 2021 is set out below

PARTICULARS	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	Amount In Rs.	No. of shares held	Amount In Rs.
Equity Shares				
Number of shares at the beginning	2,51,66,940	25,16,69,400	2,51,66,940	25,16,69,400
Add : Issue of Bonus shares	-	-	-	-
Less: Buy Back	-	-	-	-
Number of shares at the end	2,51,66,940	25,16,69,400	2,51,66,940	25,16,69,400

NOTE 11 (d) :- Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% holding	No. of shares held	% holding
Equity shares with voting rights				
Joseph Sudheer Reddy Thumma	1,15,77,056	46.00%	1,15,77,056	46.00%
Jagan Mohan Reddy Thumma	23,50,000	9.34%	23,50,000	9.34%
Dennis Reddy Thumma	16,00,000	6.36%	16,00,000	6.36%
Innamma Reddy Thumma	13,79,649	5.48%	13,79,649	5.48%

NOTE 11 (e) :- Shares held by promoters at the end of the year

Name of Promoter/Promoter Group	No. of Shares Held	% holding	No. of Shares Held PY	% Change during the year
Joseph Sudheer Reddy Thumma	1,15,77,056	46.00%	1,15,77,056	0.00%
Jagan Mohan Reddy Thumma	23,50,000	9.34%	23,50,000	0.00%
Dennis Reddy Thumma	16,00,000	6.36%	16,00,000	0.00%
Innamma Reddy Thumma	13,79,649	5.48%	13,79,649	0.00%

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
<u>Note 12: Other Equity</u>		
General Reserve	3,15,22,620	3,15,22,620
Securities premium	3,86,64,480	3,86,64,480
Less: Transfer	-	-
	3,86,64,480	3,86,64,480
Statutory Reserve	1,23,88,966	1,23,88,966
Foreign Currency Translation Reserve	3,05,92,247	3,50,11,534
<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
Opening balance	16,54,62,253	18,33,58,096
Add: Recomputation as per Ind As 116	-	-
Add: Profit / (Loss) for the year	29,45,85,408	1,78,32,612
	46,00,47,661	20,11,90,708
Less:		
Final Dividend	3,68,14,788	3,57,28,455
Tax on Dividend	-	-
	42,32,32,873	16,54,62,253
Other Comprehensive Income	(1,62,05,650)	(1,95,127)
Total	52,01,95,536	28,28,54,726

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
Note 13 :- Borrowings (Non Current)		
<u>Term loans (Secured)</u>		
Loan from financial institutions & Banks	6,13,69,431	6,44,79,942
Term loans- Patriot Bank	9,25,73,485	-
SBA PPP Loan	14,86,05,000	42,35,53,253
EIDL Loan	29,71,95,140	-
<u>Unsecured</u>		
Loan from financial institutions & Banks	1,15,15,203	82,70,866
Loan from Others	1,74,57,744	18,48,75,168
Total	62,87,16,002	68,11,79,228
- Vehicle Loan from Yes Bank, Kotak Mahindra Bank and kotak Mahindra Prime Ltd is to be paid in 37 to 60 equal monthly installment carrying interest rate 8.85% to 10% and maturity between February 2023 till February 2025.		
- Property Loan from Yes Bank is to be paid in 156 equal monthly installment carrying interest rate 9.8% and maturity at September 2033.		
-On March 29, 2022, JNIT Technologies Inc, Motivity Labs Inc and RPR WYATT Inc (Collectively referred to as "Borrowers") entered into an agreement with Patriot Bank (referred to as "Lender") and obtained a term loan for \$ 1,500,000. The term loan was utilized for repayment of existing indebtedness incurred for acquisition of Motivity Labs Inc. The term loan is repayable in sixty consecutive monthly installments of principal and interest in the amount of \$ 27,494.06 each commencing from May 1, 2022. Each borrower are jointly and severally liable and has provided absolute and unconditional guarantee to Lender for prompt payment and performance of all obligations. The borrowers have granted lien to all assets as collateral security for the payment and performance of all the obligations.		
The company during previous year, has received a loan of \$ 5,615,300 under the "Paycheck Protection Program (PPP), issued under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act)". As per the promissory note issued, the PPP Loan carries an interest rate of 1% per annum, the company promises to pay to the order of lender the amount of \$ 3,615,300, interest on the unpaid principal balance, and all the other amounts required by this Note. Under the PPP, certain amounts may be forgiven by the lender under the direction of the Administrator of the SBA so long as the requirements of the PPP for forgiveness are satisfied. As per the Payment terms the loan shall be repaid in full no later than two years (extended to five years if mutually agreed with the bank that processed the PPP loan) from the disbursement date (the maturity date) unless earlier forgiven in whole or in part, subject to and in accordance with the forgiveness guidelines, the company shall begin making monthly payments of principal in equal installments in an amount that would fully amortize the loan by the maturity date. The company has applied for forgiveness from SBA for the first PPP Loan Amount \$ 3,615,300 and the same was forgiven during fiscal year ended March 31, 2022 and hence taken to other income.		
The Company had obtained loan from U.S. Small Business Administration under section 7(b) of the Small Business Act on 12th January 2022. Installment payment (including principal and interest) of \$ 10,298 will begin 24 months from date of the promissory note. The balance of principal and interest will be payable in thirty years from the date of the promissory note. Interest will accrue at the rate of 3.75% per annum based on funds advanced. The entity's assets will be given as collateral.		
- Unsecured Loan from various Banks and Financial Institutions is to be paid in 36 to 60 equal monthly installment carrying interest rate in range 17% to 26.91%.		

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
<u>Note 14 :- Provisions (Non Current)</u>		
Provision for Gratuity	2,93,61,630	96,78,517
Total	2,93,61,630	96,78,517
<u>NOTE 15 :- Deferred Tax Liability (net)</u>		
<u>Tax effect of items constituting deferred tax liability</u>		
On account of fixed assets	31,35,597	17,47,215
On account of Losses	(2,97,08,478)	(2,54,44,830)
Total	(2,65,72,881)	(2,36,97,615)
<u>Note 16 :- Borrowings (Current)</u>		
Secured		
Line of Credit - Bank	18,88,36,203	2,97,47,852
Current Maturity of Long Term Borrowings	2,98,07,814	82,62,104
Total	21,86,44,016	3,80,09,956
(Each borrower are jointly and severally liable and has provided absolute and unconditional guarantee to Lender for prompt payment and performance of all obligations. The Interest on Revolving loan facility shall bear interest on the outstanding principal amount at the base rate, which is greater of prime rate as quoted by The Wall Street Journal plus 0.4% and 3.65% per annum. The line of credit matures on June 30, 2023.)		
<u>NOTE 17 :- Trade Payable</u>		
Total outstanding dues of micro & small enterprises	-	-
Total outstanding dues of creditors other than micro & small enterprises	9,14,26,286	6,22,74,623
Total	9,14,26,286	6,22,74,623
Trade Payables Ageing Schedule		
1. OTHERS		
Outstanding for following periods from due date of payment		
Less than 1 year	8,82,08,241	6,08,14,092
1 to 2 years	31,14,321	10,28,180
2 to 3 years	1,03,723	-
More than 3 years	-	4,32,352
Total	9,14,26,286	6,22,74,623

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	As at March 31, 2022 Amount In Rs.	As at March 31, 2021 Amount In Rs.
<u>Note 18 :- Other Financial Liabilities (Current)</u>		
(a) Unclaimed Dividends	10,97,323	9,46,325
(b) Deposit Received	24,30,000	24,30,000
Total	35,27,323	33,76,325
<u>Note 19 :- Provisions (Current)</u>		
(a) Provision for Gratuity	5,78,158	2,79,371
Total	5,78,158	2,79,371
<u>Note 20 :- Other Current Liabilities (Current)</u>		
(a) Statutory liabilities	70,14,059	1,45,05,522
(b) Salary Payable	11,23,42,993	10,97,09,560
(c) Other Payable	-	46,77,787
(d) Advance from customer	39,98,182	64,039
Total	12,33,55,235	12,89,56,908

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	2021-22 Amount in Rs.	2020-21 Amount in Rs.
<u>Note 21 :- Revenue from Operations</u>		
Service Income	2,27,07,30,396	1,98,83,57,532
Sale of Products	25,38,35,372	12,85,52,548
Other Operating Revenue	22,09,950	25,01,254
Total	2,52,67,75,718	2,11,94,11,334
<u>Note 22 :- Other Incomes</u>		
Interest from loan & Others	75,67,989	88,21,380
Other non-operating income	29,33,99,957	1,25,72,767
Total	30,09,67,946	2,13,94,147
<u>Note 23 :- Purchase Stock in Trade</u>		
Purchase Stock In trade	23,55,70,832	12,16,65,795
Total	23,55,70,832	12,16,65,795
<u>Note 24 :- Changes In Inventory of Stock In Trade</u>		
Opening stock Traded Goods	66,05,422	38,58,301
Closing stock Traded Goods	1,59,69,695	66,05,422
	(93,64,273)	(27,47,120)
Changes in inventories of Stock In Trade	(93,64,273)	(27,47,120)
<u>Note 25 :- Employee Benefit Expenses</u>		
Salary, wages, bonus and allowances	1,57,21,90,720	1,46,48,98,799
Contribution to Provident Fund and Other Funds	23,69,009	30,65,546
Employee welfare and other amenities	17,99,427	2,25,737
Total	1,57,63,59,156	1,46,81,90,082
<u>Note 26 :- Finance Costs</u>		
Interest on Secured Loan	1,37,58,991	84,29,509
Interest on Leased Assets	28,18,866	2,28,821
Other Finance Charges	3,09,157	12,57,868
Total	1,68,87,014	99,16,198

Magellanic Cloud Limited (formerly known as South India Projects Limited)
Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

PARTICULARS	2021-22 Amount in Rs.	2020-21 Amount in Rs.
<u>Note 27 :- Other Expenses</u>		
Audit Fees	3,40,000	2,31,000
Bank charges	8,86,473	3,15,778
Software Consultancy & Development charges	39,16,06,408	29,12,12,304
Other miscellaneous Expenses	7,19,27,418	4,56,82,522
Advertisement & Business Promotion	97,15,276	1,43,94,000
Professional Fees	3,96,68,281	6,22,56,289
Rates & Taxes	26,16,913	65,57,402
Rent Expenses	2,56,79,690	4,78,43,844
Telephone & Internet Charges	66,92,039	90,44,703
Insurance Charges	2,75,67,897	1,79,44,938
Electricity Expenses	1,31,410	3,65,892
Foreign Exchange Fluctuation	12,01,275	7,02,630
Freight & Labour Charges	1,24,09,206	40,20,800
Printing Expenses	4,90,236	3,09,579
Repairs & Maintainance	1,38,42,348	56,32,427
Loss on sale of Assets	39,77,646	1,91,454
Bad Debts	2,88,21,650	7,74,050
Conveyance & Travelling	1,55,64,690	98,52,068
Total	65,31,38,855	51,73,31,680

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100WB1981PLC034342

Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

28 Related party transactions

As per Indian Accounting Standard (Ind As 24), the disclosures of transactions with the related parties are given below

28.1 Relationships during the year**(A) Key Managerial Personnel & their relatives**

Jagan Mohan Reddy Thumma
 Joseph Sudheer Reddy Thumma
 Sanjay Mahendra Chauhan (CFO)
 Jayshree Chauhan (Relative of Sanjay Chauhan)
 Varsha Chauhan (Relative of Sanjay Chauhan)
 Mamta Chauhan (Relative of Sanjay Chauhan)

(B) Entities in which KMP having significant influence

RPR Wyatt (JNITH Corporation)
 JNIT Technologies India Pvt. Limited
 Syngtech Inc. (Jonam Systems Inc.)
 Hoozin Inc

28.2 Related party transactions**(A) Transactions with related parties during the year :**

Particulars	2021-22	2020-21
<u>Director Remuneration</u>		
Jagan Mohan Reddy Thumma	4,80,000	4,80,000
Sanjay Mahendra Chauhan	24,00,000	24,00,000
Joseph Sudheer Reddy Thumma	1,19,21,920	1,18,84,480
<u>Salary Paid</u>		
Jayshree Chauhan	12,00,000	-
Varsha Chauhan	12,00,000	-
Mamta Chauhan	15,00,000	-
<u>Service Income</u>		
RPR Wyatt (JNITH Corporation)	29,92,849	-
Syngtech Inc. (Jonam Systems Inc.)	1,11,65,623	-
Hoozin Inc	14,90,240	44,56,680
<u>Deposit Paid</u>		
Joseph Sudheer Reddy Thumma	2,80,00,000	2,80,00,000
<u>Rent & Reimbursement Paid</u>		
Joseph Sudheer Reddy Thumma	4,05,90,000	1,75,00,000
Sanjay Mahendra Chauhan	4,95,000	-
Jayshree Chauhan	4,95,000	-
<u>Consultancy Charges</u>		
JNIT Technologies India Pvt. Limited	1,45,52,194	52,03,174
Syngtech Inc. (Jonam Systems Inc.)	2,89,86,807	2,00,90,342
<u>Account Receivable / (Payable)</u>		
RPR Wyatt (JNITH Corporation)	5,32,452	1,31,55,704
Syngtech Inc. (Jonam Systems Inc.)	(1,16,53,381)	2,44,28,284
Hoozin Inc	78,01,763	1,06,58,225
JNIT Technologies India Pvt. Limited	(14,48,899)	(5,05,347)
Joseph Sudheer Reddy Thumma	(16,21,120)	(16,21,120)

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100WB1981PLC034342

Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

29 Earnings per share

Particulars	March 31, 2022	March 31, 2021
Net profit after tax as per statement of profit and loss	29,45,85,408	1,78,32,612
Weighted average number of equity shares outstanding during the year	2,51,66,940	2,51,66,940
Nominal value per equity share	10	10
Basic & Diluted Earnings per share	11.71	0.71

30 Segment Reporting

Particulars	March 31, 2022	March 31, 2021
Segment Value of Sales and Services (Revenue)		
- IT Consulting Services	2,27,07,30,396	1,98,83,57,532
- FMCG product Division	25,60,45,322	13,10,53,802
Gross Value of Sales and Services	2,52,67,75,718	2,11,94,11,334
Less: Inter Segment Transfers	-	-
Revenue from Operations	2,52,67,75,718	2,11,94,11,334
Segment Results		
- IT Consulting Services	4,04,48,014	(17,21,072)
- FMCG product Division	35,14,201	23,51,330
Total	4,39,62,214	6,30,259
Less:		
Finance Costs	1,68,87,014	99,16,198
Other Un-allocable Income (Net of Expenditure)	(30,09,67,946)	(2,13,94,147)
Total Profit Before Tax	32,80,43,146	1,21,08,207
Segment Assets		
- IT Consulting Services	1,78,53,85,642	1,39,93,28,853
- FMCG product Division	4,85,64,265	3,35,49,377
Total	1,83,39,49,907	1,43,28,78,230
Unallocated Corporate Assets	11,95,45,187	11,66,42,719
Total Assets	1,95,34,95,095	1,54,95,20,948
Segment Liabilities		
- IT Consulting Services	1,06,64,47,938	92,14,71,419
- FMCG product Division	3,10,21,008	2,27,14,428
Total	1,09,74,68,946	94,41,85,847
Unallocated Corporate Liabilities	8,41,61,213	7,08,10,975
Total Liabilities	1,18,16,30,159	1,01,49,96,822

- 31** In the opinion of the Board, the value of realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet.
- 32** On the basis of the information available with the group, there are no micro and small scale business enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2022.
- 33** The Group has made an assessment of the impact of the continuing COVID-19 pandemic on its current and future operations, liquidity position and cash flow giving due consideration to the internal and external factors. The Company is continuously monitoring the situation and does not foresee any significant impact on its operations and the financials position as at March 31, 2022.

Magellanic Cloud Limited (formerly known as South India Projects Limited)

CIN: L72100WB1981PLC034342

Consolidated Notes to the Financial Statements for the year ended 31st March, 2022

34 Other Statutory Information

- i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Group do not have any transactions with companies struck off.
- iii) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iv) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - v) (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - vi) (a) 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
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
The Group have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
 - vii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
 - xi) The Group has not been declared as a Wilful Defaulter by any bank or financial institution or government or any government authority.

35 Previous Year figures

Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year.

As per our report of even date

For D. Kothary & Co
Chartered Accountants
Firm Registration No. 105335W

For and on behalf of Board of Directors

Mukesh U. Jha
Partner
Membership No.: 125024

Managing Director
Jagan Mohan Reddy Thumma
Din No. 06554945

Company Secretary
Sameer Rajkumar Lalwani
Pan No. AIDPL4094N

Place: Mumbai
Date : 25th May 2022

Independent Director
Nikitha Tiparnapally
Din No. 07399613
Place : Hyderabad
Date : 25th May 2022

Chief Financial Officer
Sanjay Chauhan
Pan No. AFLPC7749G

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