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INDEPENDENT AUDITORS' REPORT

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To the Members of STORAGE TECHNOLOGIES AND AUTOMATION PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Storage Technologies and Automation Private Limited (*"the Company"*), which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as *"the financial statements"*).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (*"the Act"*) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit, total comprehensive income, and its cash flows for the year ended on that date.

Basis for Opinion

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

Responsibility of Management for the 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 Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates

that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility 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 SA's 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.

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

- The Company's Board of Directors are responsible for the other information. The other information comprises the Board's Report and the Corporate Governance Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the 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 is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) Sundry Debtor balances are subjected to confirmation from Debtors.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses]
 - iii. The Company was not under the obligation to transfer any amount to the Investor Education and Protection Fund during the year.
- 2) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.

For Chinnappa & Associates
Chartered Accountants
FRN : 026355S


CA. B. Chinnappa
Proprietor
M No.204458

Place: Bangalore
Date: 23.08.2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)

Report on Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of **Storage Technologies and Automation Private Limited** ('the Company')

1. In respect of tangible and intangible assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details Property, Plant & Equipment ("PPE").
- (b) Management during the year has physically verified PPE during the year. However, the Company is planning to do such verification in the ensuing year.
- (c) According to the information and explanation given to us by the Company, there is **no** material discrepancies, if any, noticed on physical verification have been accounted for in the books of accounts.
- (d) According to the information and explanation given to us by the Company, title deed of all immovable properties (except properties which are leased by the company with duly executed lease agreements in the company's favor) disclosed in the financial statements **are held** in the name of the company.
- (e) Based on the information and explanation given to us by the Company, a revaluation has **not** been done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both **during the year** and, if so, then the revaluation will be based on the valuation by a Registered Valuer.
- (f) Based on the information and explanation given to us by the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2. In respect of its inventory:

- a) As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals/ (at the end of the year) by the Management.
- b) In our opinion, the frequency of verification is reasonable, and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and **no material** discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks with the books of accounts and if any, they have been properly dealt with in the books of accounts.

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3. In respect of investments, any guarantee or security or advances or loans given:

Based on the information and explanation furnished to us by the Company, The Company **has not** provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

According to the records of the Company, the Company is investing in Mutual fund on Loan term and short-term, prima facie, not been used during the year for long-term purposes by the Company.

4. Compliance in respect of a loan to directors:

Based on the information and explanations given to us, the Company has not given any loans to directors for FY 22-23.

5. Compliance in respect of deposits accepted:

Based on the information and explanations given to us, the Company has not accepted any deposits as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Act and rules framed under. Accordingly, provisions of clause 3 (v) of the Order is not applicable.

6. Maintenance of costing records:

To the best of our knowledge and explanations given to us, the Central Government has prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Act, for the products of the Company and the Company is **not liable** to maintain such records.

7. Deposit of statutory liabilities outstanding due or any disputes:

According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including goods and service tax, customs duty, cess, and any other statutory dues as applicable to the Company to the appropriate authorities as at March 31, 2023, barring certain delays in certain months. Barring the above there are **no** undisputed statutory dues exceeding six months from the due date of payment as at March 31, 2023.

8. Unrecorded income:

On an overall examination of the financial statements of the Company, there **no such** transactions which are not recorded in the accounts have been disclosed or surrendered before the tax authorities as income during the year. The details of such income tax assessments should be disclosed. According to the information and explanation given to us there **no** such undisclosed income has been recorded in the accounts during the year.

9. Default in repayment of borrowings:

Based on the information and explanations given to us by the Company, The Company has not taken any loan from Bank or any other financial institution.

But during the year the company have repaid the loan amount received by director of the company, which was taken in FY 2022-23, used for the object for which they were obtained.



10. Funds raised and utilization:

In our opinion based on the information and explanation given to us, the Company has not raised any moneys by way of initial public offer or further public offer during the year (including debt instruments). Further, a part of the term loan from bank and loan taken from director hence reporting under clause 3 (ix) of the Order is not applicable.

11. Fraud and whistle-blower complaints:

To the best of our knowledge and according to the information and explanations given to us, there are no frauds reported by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year. Accordingly, the provisions of clause 3(x) of the said Order are not applicable.

According to the information and explanation given to us, 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.

Based on the information and explanation given to us, there are no whistle blower complaints received by the Company during the year and accordingly, provisions of the clause 3 (xi)(c) of the Order is not applicable

12. Compliance by a Nidhi:

The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the order is not applicable.

13. Compliance on transactions with related parties:

In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. Internal audit system:

To the best of our knowledge and according to the information and explanations given to us, the company has an adequate internal audit system commensurate with the size and nature of business,

We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15. Non-cash transactions:

As represented to us by the management and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them as per provisions of section 192 of companies Act 2013.

16. Registration under Section 45-IA of RBI Act, 1934:

According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.



17. Cash losses:

According to the information and explanation given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18. Resignation of statutory auditors:

According to the information, no auditor has been resigned. If any we will take the issues, objections or concerns raised by the outgoing auditors into consideration.

19. Material uncertainty:

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, the our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is 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.

20. Transfer to fund specified under Schedule VII of Companies Act, 2013:

According to the information and explanation given to us, in respect of other than ongoing projects, there is **NO** unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

21. Qualifications or adverse auditor remarks in other group companies:

The Company doesn't have any subsidiaries and the report is furnished for the standalone financial statements. Accordingly, the provisions of clause 3(xx) of the said Order are not applicable.

For Chinnappa & Associates
Chartered Accountants
FRN : 0263555


CA. B. Chinnappa
Proprietor
M No.204458

Place: Bangalore
Date: 23.08.2023

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chinnappa & Associates
Chartered Accountants
FRN : 0263555


CA. B. Chinnappa
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