

## **INDEPENDENT AUDITORS' REPORT**

**To the Members of STORAGE TECHNOLOGIES AND AUTOMATION LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying Consolidated Financial statements of **Storage Technologies and Automation Limited** ("*the Company*") and its subsidiaries, which comprises the Balance Sheet as at March 31, 2025, 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 Consolidated Financial statements").

our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid financial statement :

Includes annual financial results of the following entities:

Sr. No.	Name of the Entity	Relationship
1.	DI&P SERVICES PRIVATE LIMITED	Subsidiary Company
2.	GLAUKOUSTECH SOLUTIONS PRIVATE LIMITED	Subsidiary Company

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 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:

i in the case of the Balance Sheet, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March 2025;

ii in the case of the Statement of Profit and Loss, of the consolidated profit for the year ended on that date; and

iii in the case of the Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 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 Consolidated 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 opinion on the Consolidated Financial Statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial statements for the financial year ended March'2025. We have determined that there are no key audit matters to communicate in our report with regarding to Consolidated financial statements

### **Emphasis of Matter**

In forming our opinion on the Consolidated financial statement, we have considered the adequacy of disclosure with regards to Gratuity made under provision to the accompanying financial statements in relation disclosure of AS -15 Employee benefit. Our opinion is not modified in respect of the above matters.

### **Responsibility of Management for the Consolidated Financial Statements**

The Holding Company's Management and 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 Consolidated Financial Statements that give a true and fair view of the Financial position, Consolidated 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 is 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 Consolidated Financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- The Holding Company's management and 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 Consolidated Financial statements and our auditor's report hereon.
- 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 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account

- d) In our opinion, the aforesaid Consolidated 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) 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 and its subsidiary have disclosed the impact of pending litigations on its Consolidated Financial position in its Consolidated Financial statements;
  - ii. The Company and its subsidiary does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses]
  - iii. The Company and its subsidiary were not under the obligation to transfer any amount to the Investor Education and Protection Fund during the year.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no Funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company 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, 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 beliefs, no funds (which are material either individually or in aggregate) have been received by the Company from any person or entity, including foreign whether, directly or indirectly, lend or invest in other person 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 procedure that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

The Group has not declared or paid any dividend during the financial year.

- 2) With respect to the matter specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in term 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 company and its subsidiaries included in the

consolidated financial statement of the company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports refer to our separate Report in "Annexure A"

- 3) With respect to the adequacy of the internal financial controls with reference to Consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"

**For CGSS & Associates LLP**  
**Chartered Accountants**  
**FRN : S200053**



**CA. B. Chinnappa**  
**Partner**  
**M No.204458**  
**UDIN: 25204458BMONUV8687**  
**Place: Bangalore**  
**Date: 30.05.2025**

**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)**

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state this 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 Limited** ('the Company') in respect to consolidated financial statements

**1. In respect of tangible and intangible assets:**

- (a) The Company and its subsidiaries 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 favour) disclosed in the Consolidated Financial statements **are held** in the name of the company.
- (e) Based on the information and explanation given to us by the Company, 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 and its subsidiaries 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.

**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 and it's subsidiaries,

The Company has not made any investments during the current year. The Holding company has granted loan to subsidiary company during the year, in respect of which:

Particulars	Loans	Advances in Nature of Loan	Guarantee	Securities
Aggregate amount granted/ provided during the year:	-	-	-	-
Subsidiaries DI & P Services Pvt Ltd	-	15,00,000	-	-
Others	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases:	-	-	-	-
Subsidiaries DI & P Services Pvt Ltd Glaukoustech Solutions Pvt Ltd	-	15,00,000 20,00,000	-	-
Others	-	-	-	-

**4. Compliance in respect of a loan to directors:**

Based on the information and explanations given to us, the Company and its subsidiaries has not given any loans to directors for FY 23-24 Hence no compliance with the provisions of Sections 185 and 186 of the Companies Act, 2013 is applicable.

**5. Compliance in respect of deposits accepted:**

Based on the information and explanations given to us, the Company and its subsidiaries are 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 (v) of paragraph 3 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 and its subsidiaries are 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, 2025, 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, 2025.

Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
-	-	-	-	-	-

(b) According to the information and explanations given to us, there are not any statutory dues referred in sub- clause (a) which have not been deposited on account of any dispute. Therefore, the provisions of Clause (vii)(b) of paragraph 3 of the order are not applicable to the Company.

## 8. Unrecorded income:

On an overall examination of the Consolidated 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 and its subsidiaries, The Company has taken loan from Bank or any other financial institutions. Company and its subsidiaries has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to the lender and 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 Holding Company has raised moneys by way of initial public offer during the financial year 2024-25 and the holding company *had issued 38,40,000 equity shares of Rs 10 each at a premium of Rs 78 per share aggregating 29.95 crores and the issue was fully subscribed and the shares were listed in BSE, SME platform on 8.5.2024.* And confirmed that no further public offer during the year (including debt instruments) other than the issue dated 08.05.2024.

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.

In our opinion and according to the information and explanations given to us, the company and its subsidiaries has not made any preferential allotment or private placement of shares during the year and the requirements of section 42 and section 62 of the companies act , 2013 are not applicable to the company.

**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 and its subsidiaries are not Nidhi Companies 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 Consolidated 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 holding company **has** maintained an adequate internal audit system commensurate with the size and nature of business and the subsidiary companies are not covered by section 138 of companies Act, 2013.

**15. Non-cash transactions:**

As represented to us by the management and according to the information and explanation given to us, the Company and its subsidiaries 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 and its subsidiaries.

The Company and its subsidiaries have not conducted any non-banking financial or housing finance activities during the year.

The Company and its subsidiaries as a group is not a core investment company (hereinafter referred to as "CIC") as defined in the Core Investment Companies (Direction), 2016 as amended from time to time, issued by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) of the Order is not applicable.

In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.

**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 Consolidated 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. According to the information and explanations given to us and based on our examination of the books and records of the Company, Corporate Social Responsibility as required by the provisions of Section 135 of the Companies Act, 2013 is applicable to the Holding company and the company has spent Rs. 5,62,000/- as CSR for the FY 2023-24 as the profits for the respective financial year increased by 5 crores, whereas the provisions of section 135 of companies Act, 2013 is not applicable to its subsidiaries.

Further there has no unspent amount transferred to a fund under sec 135 of companies Act, 2013. Therefore, reporting under clause 3(xx) is not applicable.

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

The reporting under Clause 3(xxi) of the Order is applicable in respect of audit of consolidated financial statements. We report that there are no qualifications or adverse remarks in these CARO reports.

**For CGSS & Associates LLP  
Chartered Accountants  
FRN : S200053**



**CA. B. Chinnappa  
Partner  
M No.204458  
UDIN: 25204458BMONUV8687  
Place: Bangalore  
Date: 30.05.2025**

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**  
**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 Consolidated Financial reporting of **Storage Technologies and Automation Limited** ('the Company') as of 31 March 2025 in conjunction with our audit of the Consolidated Financial statements of the Company for the year ended on that date.

In conjunction with our audit of the consolidated financial statements of the Company and its subsidiary as of and for the year ended 31st March 2025, we have audited the internal financial controls with reference to consolidated financial statements of **Storage Technologies and Automation Limited** ("the Company") and its subsidiary, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of directors of the company and its subsidiary is responsible for establishing and maintaining internal Financial controls based on the internal control over Consolidated 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 Consolidated 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 the 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 Consolidated Financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Consolidated 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 Consolidated Financial reporting were 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 Consolidated Financial reporting and their operating effectiveness. Our audit of internal financial controls over Consolidated Financial reporting included obtaining an understanding of internal financial controls

over Consolidated 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 auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated 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 Consolidated Financial reporting.

### **Meaning of Internal Financial Controls over Consolidated Financial Statements**

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 Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal Financial control over Consolidated 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 Consolidated 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 Consolidated Financial statements.

### **Inherent Limitations of Internal Financial Controls over Consolidated 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 Consolidated Financial reporting to future periods are subject to the risk that the internal financial control over Consolidated 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 Consolidated Financial reporting and such internal Financial controls over Consolidated Financial reporting were operating effectively as at 31 March 2025, based on the internal control over Consolidated 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 Consolidated Financial Reporting issued by the Institute of Chartered Accountants of India.

**For CGSS & Associates LLP**  
**Chartered Accountants**  
**FRN : S200053**



**CA. B. Chinnappa**  
**Partner**  
**M No.204458**  
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