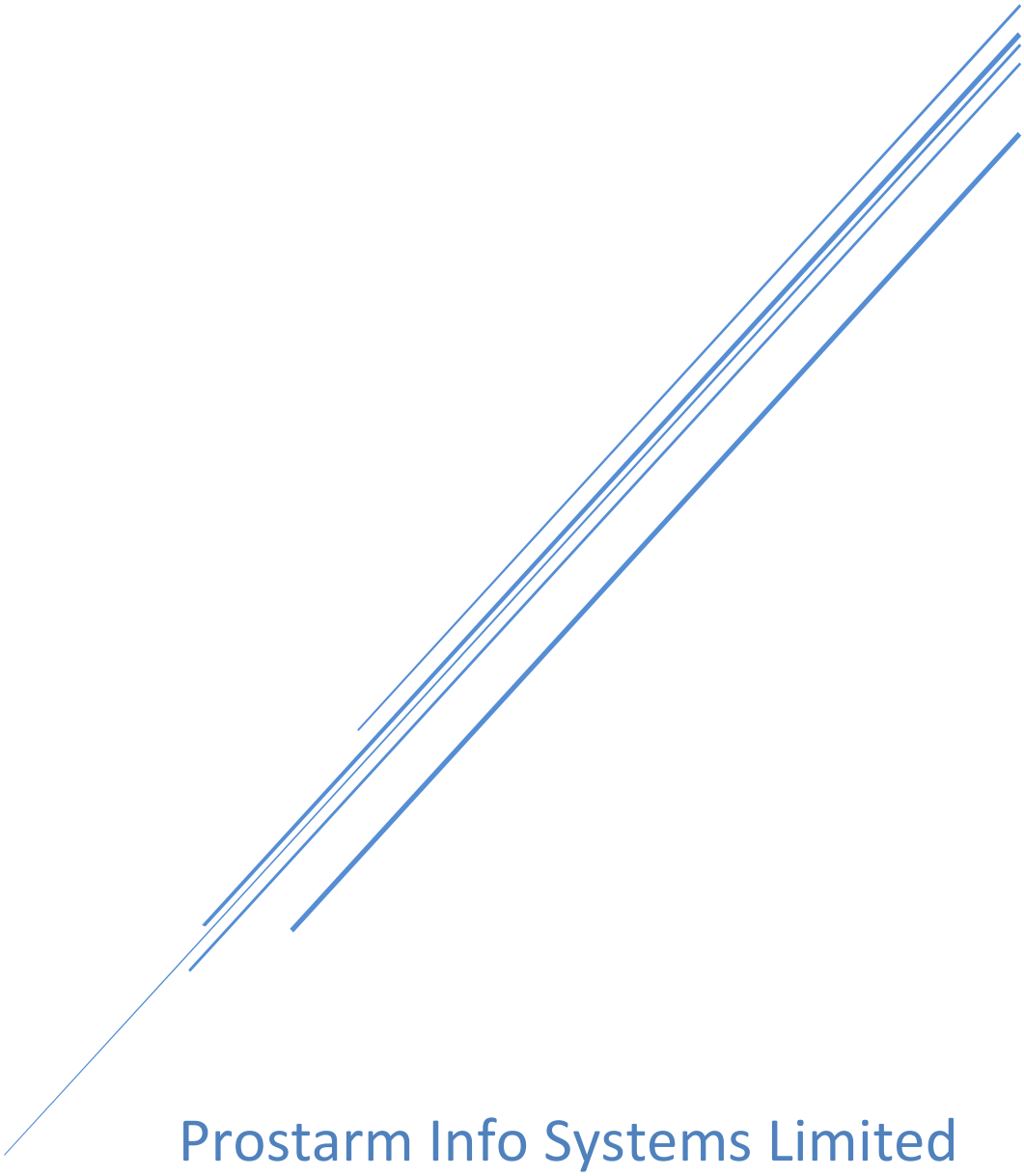
ANNUAL REPORT

For Financial Year 2023-24



Prostarm Info Systems Limited

PROSTARM INFO SYSTEMS LIMITED

CIN: - U31900MH2008PLC368540

(FY 2023-2024)

CORPORATE INFORMATION

BOARD OF DIRECTORS

DIRECTORS	: Mr. Tapan Ghose
	: Mr. Ram Agarwal
	: Mr. Vikas Agarwal
	: Mr. Raghu Thammannashastri
	: Mr. Goutam Paul
	: Ms. Mitali Chatterjee
	: Mr. Bhargav Chatterjee
	: Mr. Shivkumar Baser
	: Mr. Ganesh Pansari
CHIEF FINANCIAL OFFICER	: Mr. Abhishek Jain
STATUTORY AUDITORS	**:** M/s Mansaka Ravi & Associates, Chartered Accountants (FRN No. 015023C). Office no. 17, Palm Beach Arcade, Sector 4, Nerul West, Navi Mumbai, Thane - 400706, Maharashtra, India
REGISTERED OFFICE	**:** Plot No. EL-79 TTC MIDC, Mahape, Navi Mumbai, Thane – 400710, Maharashtra, India
	Contact No.: 9158980000
	E-mail: sales@prostarm.com

NOTICE

Notice is hereby given that the 17th Annual General Meeting of the Members of **"Prostarm Info Systems Limited"** will be held on the 18th Day of September, 2024 at 03:30 P.M. at the Registered Office of the Company situated at Plot No. EL 79, Electronic Zone, TTC, MIDC, Mahape, Navi Mumbai-400710, Thane, Maharashtra to transact the following business(s) :-

ORDINARY BUSINESS:

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

(1) Adoption of Standalone Financial Statements and the Reports of the Board of Directors & Auditors thereon:

(2) Adoption of Consolidated Financial Statements and the Reports of the Auditors thereon:

(3) Appointment of a Director in place of Mr. Vikas Agarwal (DIN: 01940262), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

(4) Approval of Initial Public Offering by way of Fresh Issue of Equity Shares

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

"**RESOLVED THAT** pursuant to the provisions of sections 23 and 62 (1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the Companies (Share Capital and Debenture) Rules, 2014, as amended (including any statutory modification or re-enactment thereof for the time being in force) (collectively referred to as the "**Companies Act**"), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, as amended, including the rules, regulations, circulars, guidelines issued thereunder (each as amended), and the provisions of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), as amended and other applicable regulations and guidelines issued by SEBI, the Foreign Exchange Management Act, 1999 (as amended), and the rules and regulations made thereunder and any other applicable laws, rules, regulations, policies, guidelines including any foreign investment law, clarifications, directions, circulars, orders and notifications issued by the Government of India ("GoI"), the Registrar of Companies ("**RoC**"), SEBI, the Department of Economic Affairs, Ministry of Finance, Government of India ("**DEA**"), or Stock Exchanges and any other applicable laws, policies, rules and regulations, in India or outside India and such concerned statutory and other authorities as deemed necessary (collectively known as the "**Applicable**

Laws"), as amended from time to time, and in accordance with the enabling provisions of the Memorandum of Association and the Articles of Association of the Company and the uniform listing agreements to be entered into between the Company and the respective recognized stock exchanges of India where the equity shares of the Company are proposed to be listed ("**Stock Exchanges**"), and subject to any approvals from the GoI, RoC, SEBI and / or any other appropriate governmental, statutory or regulatory authorities of India ("**Regulatory Authorities**") and such other approvals, consents, waivers, permissions, sanctions, modifications and / or no objections, as may be required from the Regulatory Authorities and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, waivers, permissions, sanctions, modifications and no objections, which may be agreed to by the Board of Directors of the Company ("**Board**" which term shall include a duly authorized committee thereof for the time being exercising the powers conferred upon it by the Board including the powers conferred by this resolution), consent and approval of the members of the company be and is hereby accorded to offer issue and allot such number of equity shares of face value of Rs. 10/- ("**Equity Shares**"), each for cash, at such price including premium to be determined by the Board at its sole discretion ("**Issue**") such that the amount being raised pursuant to the Issue aggregating to Rs. 2,00,00,00,000/- (Rupees Two hundred Crores Only) (with an option to the Company to retain an over-subscription to the extent of 1% of the net Issue or size, or such other extent as may be permitted under the Applicable Laws, for the purpose of rounding off to the nearest integer while finalizing the basis of allotment) in terms of the SEBI ICDR Regulations, at a price to be determined by the book building process in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, for cash at such premium per Equity Share as allowed under Applicable Laws and as may be fixed or determined in consultation with the Book Running Lead Manager (BRLM), in accordance with the SEBI ICDR Regulations, out of the authorized capital of the Company to any category of person or persons as permitted under Applicable Laws, who may or may not be a shareholder(s) of the Company as the Board may decide, including anchor investors, if any, one or more of the members, employees (through a reservation or otherwise), Hindu Undivided Families, foreign portfolio investors, venture capital funds, alternative investment funds, foreign venture capital investors, multilateral and bilateral financial institutions, non-resident Indians, state industrial development corporations, insurance companies registered with the Insurance and Regulatory Development Authority of India, provident funds, pension funds, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, development financial institutions, trusts / societies registered under the Societies Registration Act, 1860, Indian mutual funds, systemically important non-banking financial companies, members of group companies, Indian public, bodies corporate, companies (private or public) or other entities, authorities, and to such other persons in one or more combinations thereof, whether through the Issue or otherwise in one or more modes or combinations thereof and/or any other category of investors as may be permitted to invest under Applicable Laws and in one or more tranches in consultation with the BRLM /or other advisors or such persons appointed for the Issue and on such terms and conditions as may be finalized by the Board in consultation with the BRLM

and that the Board in consultation with the BRLM may finalize all matters incidental thereto as it may in its absolute discretion think fit.

"**RESOLVED FURTHER THAT** such of these Equity Shares may also be issued to Pre-IPO / Anchor Investors or to any category(ies) of persons in any reservation as may be permissible in accordance with the SEBI ICDR Regulations and other Applicable Laws, regulations, policies or guidelines in such manner and on such terms as the Board or a Committee constituted thereof, in its absolute discretion may think most beneficial to the Company including without limitation to negotiate, finalize and execute any document or agreement and any amendments or supplements thereto, seek any consent or approval required or necessary, give directions or instructions and generally to do all such acts, deeds, matters and things in relation to all matters incidental to or in relation to the foregoing and to settle any question, difficulty or doubt that may arise with regard thereto or in relation to the foregoing.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted under the Issue (including reservation) shall be subject to the Memorandum and Articles of Association of the Company and such new Equity Shares shall in all respects rank pari-passu with the existing fully paid-up equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the Issue, including, without limitation, the following:

i) Constituting a committee for the purposes of any issue, offer, allotment and transfer of Equity Shares, credit of Equity Shares to the demat accounts of the successful allottees and other matters in connection with or incidental to the Issue, including, without limitation for, determining the anchor investor portion and allocate such number of Equity Shares to anchor investors, the terms and conditions of the Issue relating to timing (including opening and closing dates of the Issue, etc.) and pricing (price band, Issue price, including to anchor investors, etc.), and to accept any amendments, modifications, variations or alterations thereto;
ii) To constitute such other committees of the Board, as may be required under the Applicable Laws, including as provided in the SEBI Listing Regulations;
iii) Authorization of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorized person in his / her / its absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment of the Equity Shares;
iv) Authorizing any concerned persons on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
v) Appointing the BRLM(s), underwriter(s), legal advisor(s), registrar(s), escrow bank(s), syndicate member(s), and other intermediaries to the Issue in accordance with the provisions of the Applicable Laws;
vi) Seeking, if required, any approval, consent or waiver from the Company's lenders, and/or parties with whom the Company has entered into various commercial and other agreements, and/or any/all concerned government and regulatory authorities in India,

and/or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the Equity Shares;

vii) To approve and issue advertisements in relation to the Issue;

viii) Deciding in consultation with the BRLMs, the pricing and terms of the Equity Shares, and all other related matters, including the determination of the minimum subscription of the Issue, the Issue Price, the price band (including the Issue price for anchor investors), the size and all other terms and conditions of the Issue including the number of Equity Shares to be offered and transferred in the Issue, the Bid / Issue Opening and Bid / Issue Closing Date (including the bid opening and closing dates of the anchor investors)s, Discount (if any), Reservation in accordance with the Applicable Laws;

ix) Approval of the draft red herring prospectus ("**DRHP**"), the red herring prospectus ("**RHP**") and the prospectus ("**Prospectus**") (including amending, varying or modifying the same, as may be considered desirable or expedient) in relation to the Issue as finalized in consultation with the BRLM(s) in accordance with the Applicable Laws;

x) Withdrawing the DRHP or the RHP or not proceeding with the Issue at any stage in accordance with the Applicable Laws;

xi) Seeking the listing of the Equity Shares on any recognized stock exchange in India, submitting the listing application to such Stock Exchanges and taking all actions that may be necessary in connection with obtaining such listing;

xii) Appointing, instructing and entering into arrangements with the BRLMs, co-managers, underwriters, syndicate members, brokers, escrow collection banks, refund banks, sponsor bank, registrar, legal counsels, printers, advertising agency(ies), experts, auditors and any other agencies, intermediaries or persons (including any successors or replacements thereof) whose appointment is required in relation to the Issue and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters with the BRLMs;

xiii) Finalization of, approving, adopting and arrangement for submission of the DRHP to SEBI and the Stock Exchange(s) for receiving comments, the RHP and the Prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient), including incorporating such alterations / corrections / modifications as may be required by SEBI, RoC, or any other relevant governmental and statutory authorities or in accordance with all applicable laws, rules, regulations, notifications, orders, circulars and guidelines;

xiv) Authorization of the maintenance of a register of holders of the Equity Shares;

xv) Finalization of the basis of allotment of the Equity Shares in accordance with the Applicable Laws;

xvi) To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, in accordance with Applicable Laws and on permitting existing shareholders to sell any Equity Shares of the Company held by them;

xvii) To issue advertisements in such newspapers as it may deem fit and proper in accordance with the SEBI ICDR Regulations and the other Applicable Laws;

xviii) To open and operate separate escrow accounts and or any other account, with scheduled banks to receive applications along with application monies in relation to the Issue in

terms of section 40(3) of the Companies Act, 2013 and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

xix) To determine the price at which the Equity Shares are offered, allocated, issued, transferred and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLMs and/or any other advisors, if any;

xx) To negotiate, finalize, sign, execute and deliver or arrange the delivery of the offer agreement, syndicate agreement, cash escrow agreement, share escrow agreement, underwriting agreement, agreements with the registrar to the Issue and the advertising agency and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever, any amendment(s) or addenda thereto, including, with respect to the payment of commissions, brokerages and fees with the registrar to the Issue, legal counsels, auditors, stock exchanges, BRLMs and other agencies/intermediaries in connection with Issue with the power to authorize one or more officers of the Company to negotiate, execute and deliver all or any of the aforesaid documents;

xxi) To open, maintain, operate and close a bank account of the Company in terms of the share escrow agreement and cash escrow agreement for the handling of refunds for the Issue and to authorize one or more officers/ employees of the Company to execute all documents/deeds as may be necessary in this regard;

xxii) To seek, if required, the consent of the lenders to the Company, joint venture partners, parties with whom the Company has entered into various commercial and other agreements including, without limitation customers, suppliers, strategic partners of the Company, all concerned government and regulatory authorities in India, and any other consents that may be required in connection with the Issue in accordance with the Applicable Laws;

xxiii) To settle all questions, difficulties or doubts that may arise from time to time in relation to such issues or allotment, as it may in its absolute discretion deem fit;

xxiv) To do all acts and deeds, and negotiate, finalize, settle, execute and deliver or arrange the delivery of all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing for the purpose of or in connection with the Issue and any documents or instruments so executed and delivered or acts and things done or caused to be done by the committee shall be conclusive evidence of the authority of the committee in so doing;

xxv) To authorize and approve the incurring of expenditure, including the payment of fees, commissions and remuneration and expenses in connection with the Issue;

xxvi) To submit undertaking/certificates or provide clarifications to SEBI and the Stock Exchanges where the Equity Shares of the Company are proposed to be listed;

xxvii) To make applications to the Stock Exchanges for in-principle approval for listing of its Equity Shares and to execute and to deliver or arrange the delivery and file such papers and documents with the Stock Exchanges, including a copy of the DRHP filed with SEBI, as may be required for the purpose;

xxviii) To issue receipts, allotment letters, confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the

tradability and free transferability thereof as per market practices and regulations, including listing on one or more Stock Exchanges, with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

xxix) To authorize and empower officers of the Company (each, an "**Authorized Officer**"), for and on behalf of the Company, to execute and deliver, on a several basis, any declarations, affidavits, certificates, consents, agreements and arrangements as well as amendments or supplements thereto, as may be required from time to time or that the Authorized Officers consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements, the registrar's agreement, the depositories agreements, the issue agreement with the BRLMs (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the escrow agreement and confirmation of allocation notes, with the BRLMs, lead manager, syndicate members, bankers to the Issue, registrar to the Issue, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsels, depositories, trustees, custodians, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Issue, if any and to do or cause to be done any and all such acts or things that the Authorized Officer may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;

xxx) Finalization of the allotment of the Equity Shares on the basis of the applications received;

xxxi) Acceptance and appropriation of the proceeds of the Fresh Issue in accordance with Applicable Laws; and

xxxii) To generally do any other act and/or deed, to negotiate and execute any document/s, application/s, agreement/s, undertaking/s, deed/s, affidavits, declarations and certificates, and/or to give such direction as it deems fit or as may be necessary or desirable with regard to the Fresh Issue.

RESOLVED FURTHER THAT the Board or a Committee constituted thereof in this regard, be entitled to vary, modify, or alter any of the foregoing terms and conditions to conform to those as may be approved by the SEBI or any other appropriate authorities / and departments or the stock exchanges.

RESOLVED FURTHER THAT

a) All monies received by the Company out of the Issue and allotment of the equity shares to the public shall be transferred to a separate bank account in a scheduled bank as referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

b) Details of all monies utilized out of the Issue as referred to above shall be disclosed and continued to be disclosed until the time any part of the Issue proceeds remains unutilized under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies had been utilized;

c) Any unutilized monies shall be invested as per provisions of SEBI ICDR Regulations and Companies Act, 2013 or any other provision as may be applicable;
d) Details of all unutilized monies out of the Issue, if any, as referred to above shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilized monies have been invested.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things and negotiate, finalize and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable in relation to the Issue and the listing of the Equity Shares pursuant to the Issue, in the best interests of the Company, including determination of the timing, size and price in relation to the Issue in consultation with the Shareholders and lead managers to the Issue and approve and appoint intermediaries, and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the offering, issue, allotment and utilization of the Fresh Issue proceeds, if applicable and to accept and to give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions, as it may, in its absolute discretion, deem fit and proper in the best interest of the Company and the Issue, without requiring any further approval of the members and that all or any of the powers of the Company devolved pursuant to this resolution may be exercised by the Board.

RESOLVED FURTHER THAT pursuant to the provisions of section 117 of the Act read with Rule no. 17 of Companies (Management and administration) Rules, 2014, any director or the Company Secretary of the Company, be and are hereby severally authorized to file e-form MGT 14 with the Registrar of Companies with the fee as provided in the Companies (Registration of offices and fees) Rules, 2014 and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT any Director of the Company or the Company Secretary is authorised to certify the true copy of the aforesaid resolution and the same may be forwarded to any concerned authorities for necessary action and to do all necessary things to give effect the said resolution."

(5) To Consider approval of limit of Loan /Guarantee under section 185 of the Companies Act 2013

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

"**RESOLVED THAT** in supersession of all the earlier resolutions passed in this regard and pursuant to Section 185 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of members be and is hereby accorded to the Board of Directors to exercise its power including the power conferred by the resolution for advancing any loan including any loan represented

by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, aggregating to Rs. 300/- Crore (Rupees Three Hundred Crore Only) to the companies in which directors are interested in their absolute discretion deem beneficial and in the interest of the company, provided that such loans are utilized by the borrowing company for its principal business activities.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalize and agree to the terms and conditions of the aforesaid Loans / Guarantees / Securities, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable."

(6) Ratification of Remuneration of Cost Auditor

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the remuneration of Rs. 75,000 plus applicable tax, reimbursement of out-of-pocket expenses payable to the M/s Y R Doshi & Associates, Cost Accountant (Firm Registration No. 000003) appointed as cost auditor by the Board of Directors of the Company, for the Financial Year 2024-25, be and are hereby ratified and confirmed."

(7) Approval of appointment of Ms. Sonu Ram Agarwal to hold office/ place of profit

To consider and if thought fit pass the below resolution as a special resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and pursuant to the recommendation of the Audit Committee and approval of the Board of Directors, the approval of shareholders of the Company be and is hereby accorded to Ms. Sonu Ram Agarwal, a relative of Mr. Ram Agarwal, a Whole Time Director of the Company, to hold an office or place of profit as Sr. Manager-Admin of the Company with effect from 01.04.2024 on the terms and conditions (including remuneration) as may be decided by the Board of Directors of the Company..

"**RESOLVED FURTHER THAT** the any of the Directors of the Company be and are hereby authorized severally to file necessary e-Forms, if any, with Registrar of Companies, Mumbai, Maharashtra and to do all such acts, deeds and things as may be necessary to give effect to the above resolution."

(8) Approval of Continuation of Mr. Tapan Ghose (DIN: 00010833) as Chairman & Managing Director beyond the age of 70 Years

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V thereto and the Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, the Articles of Association of the Company and the Nomination and Remuneration Policy and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of shareholders of the Company be and is hereby accorded for continuation of Mr. Tapan Ghose (DIN: 01739231) as Chairman & Managing Director beyond the age of 70 years on the terms and conditions as already approved till the expiry of his current term till 07.08.2028.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things they may consider necessary, expedient or desirable in order to give effect to this resolution or otherwise considered by them in the best interest of the Company."

(9) Approval of Grant of Employee Stock Options to the employees of the Company under 'Prostarm Employee Stock Option Plan 2024 ("ESOP 2024"/ "ESOP Plan"/ "Plan")

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and Rule 12 Companies (Share Capital and Debenture) Rules, 2014, read along with the provisions of the SEBI Share Based Employee Benefits and Sweat Equity Regulations 2021 ("SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), Foreign Exchange Management Act, 1999, ("FEMA") (including any statutory amendment, modification(s) or re-enactment of the Act or the SEBI SBEB Regulations or Listing Regulations or FEMA, as the case may be, for the time being in force), the Memorandum and Articles of Association of the Company, any other rules, regulations and guidelines issued by any other regulatory or governmental authority and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms, conditions, modifications and amendments as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Company, consent of the Members be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall be deemed to include any duly constituted Committee thereof, including the Nomination and Remuneration Committee or any other Committee which the Board may

constitute/designate to act as the 'Compensation Committee' under the SEBI SBEB Regulations or their delegated authority and to exercise its powers, including the powers, conferred by this resolution), to introduce and implement the **Prostarm Employee Stock Option Plan 2024"** (the "**ESOP 2024"**) by way of issuance of employee stock options **("Options")** the salient features of which are furnished in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT consent of the Members of the Company be and is hereby accorded to the Board to create, grant, offer, issue and allot at any time, to or for the benefit of, such persons who are permanent employees of the Company, or the employees of subsidiary companies, whether working in India or outside India, and/or to the Directors of the Company, whether whole-time or not but excluding Independent Director(s), (selected on the basis of criteria decided by the Board) under the ESOP 2024 but excluding employees who are promoters or persons belonging to the promoter group and director(s) who either himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, such number of employee Stock Options ("Options") not exceeding 19,50,000 (Ninety Lakhs Fifty Thousand Only) convertible into equivalent number of equity shares (or such other number adjusted for change in capital structure or corporate actions in terms of ESOP 2024 as per applicable law), at such price and on such terms and conditions as may be fixed or determined by the Board in its sole and exclusive discretion.

RESOLVED FURTHER THAT pursuant to the provisions of the Act, SEBI SBEB Regulations, Listing Regulations, FEMA (including any statutory amendment(s), modification(s) or re-enactment(s) of the Act or the SEBI SBEB Regulations or Listing Regulations or FEMA, for the time being in force) and other rules, regulations and guidelines, if any, Memorandum and Articles of Associations of the Company, consent of the Members be and is hereby accorded to create, offer, issue and allot at any time, 19,50,000 (Ninety Lakhs Fifty Thousand Only) equity shares of Rs. 10/- (Rupees Ten) each (the "Equity Shares") (or such other number adjusted for change in capital structure or corporate actions in terms of the ESOP 2024 as per applicable law), upon exercise of Options at such price, in one or more tranches and on such terms and conditions including vesting criteria, as may be fixed or determined by the Board in its sole and exclusive discretion.

RESOLVED FURTHER THAT the maximum number of Equity Shares granted to Eligible Employees under the ESOP 2024 shall not exceed 19,50,000 (Ninety Lakhs Fifty Thousand Only) at such price or prices as may be determined by the Nomination and Remuneration Committee in its sole and absolute discretion. This limit as prescribed above is combined limit under ESOP 2024 for employees of own company and subsidiary company(ies) if any.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee may grant Options to Employees of own company or subsidiary(ies) if any, during any one year, equal to or exceeding 1% of the issued capital of the company at the time of grant of the option subject to approval of shareholders via Special resolution for such identified employees before Grant of such options.

RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, decide upon and implement the ESOP 2024 on the terms and conditions contained therein and stated in the explanatory statement annexed hereto including instances where such Options shall lapse and to grant such number of Options, to such employees and Directors of the Company, at par or at such other price, at such time and on such terms and conditions as set out in the ESOP 2024 and as the Board may in its absolute discretion think fit, subject to applicable laws and to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in terms and conditions of the ESOP 2024 from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule, vesting conditions, withdraw or revive the ESOP 2024, as the Board may in its absolute discretion think fit, subject to applicable laws unless such variation, amendment, modification or alteration is not detrimental to the interest of the eligible employees who have been granted Options under the ESOP 2024.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division or other re-organisation of capital structure of the Company, as the case may be, the number of Awards and/or the Shares to be allotted upon exercise of the Awards shall be reasonably adjusted and in case of sub-division or consolidation of shares then the number of shares and the exercise price shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten) per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted options under the ESOP 2024.

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company upon the exercise of Options, shall rank pari passu in all respect including dividend with then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2024.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make any variation, amendment, modification or alteration in the ESOP 2024, as it may deem fit, from time to time in its absolute discretion in conformity with the provisions of the Act, the SEBI SBEB Regulations Listing Regulations and other applicable laws unless such variation, amendment, modification or alteration is not detrimental to the interest of the eligible employees who have been granted Options under the ESOP 2024.

RESOLVED FURTHER THAT the board be and is hereby authorised to take necessary steps for receipt of necessary approval(s) for listing, listing, lock in and trading of the Equity Shares to be allotted under the ESOP 2024 on the Stock Exchanges, where the Equity Shares may be listed in compliance with the provisions of the Listing Regulations and other applicable laws, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts,

deeds, matters and things including the appointment of or authorizing or directing the appointment of various intermediaries, experts, professionals, independent agencies and other advisors, merchant bankers, valuers, consultants or representatives, being incidental to the effective implementation and administration of the ESOP 2024, as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and/or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of ESOP Plan and to take all such steps and do all such acts as may be incidental or ancillary thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any other committee of directors, to any Key Managerial Personnel, with power to further delegate such powers to any executives/officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

(10) Grant of employee stock Options to the employees of Subsidiary Company(ies), if any, of the Company under 'Prostarm Employee Stock Option Plan 2024 ("ESOP 2024"/ "ESOP Plan"/ "Plan")

To consider and to give assent/dissent for passing the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and Rule 12 Companies (Share Capital and Debenture) Rules, 2014, read along with the provisions of the SEBI Share Based Employee Benefits and Sweat Equity Regulations 2021 ("SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), Foreign Exchange Management Act, 1999, ("FEMA") (including any statutory amendment, modification(s) or re-enactment of the Act or the SEBI SBEB Regulations or Listing Regulations or FEMA, as the case may be, for the time being in force), the Memorandum and Articles of Association of the Company, any other rules, regulations and guidelines issued by any other regulatory or governmental authority and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms, conditions, modifications and amendments as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Company, consent of the Members be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted Committee thereof, including the Nomination and Remuneration Committee or any other Committee which the Board may constitute/designate to act as the 'Compensation Committee' under the SEBI SBEB Regulations or their delegated authority and to exercise its powers, including the powers,

conferred by this resolution), to extend the benefit of the Prostarm Employee Stock Option Plan 2024" (the "ESOP 2024") to or for the benefit of such person(s) who are permanent employees of subsidiary company(ies), if any, of the Company, whether working in India or outside India, and the future subsidiary companies of the Company, if any, whether whole-time or not but excluding Independent Director(s), (selected on the basis of criteria decided by the Board) under the ESOP 2024 but excluding employees who are promoters or persons belonging to the promoter group and director(s) who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company. The salient features of which are furnished in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT consent of the Members of the Company be and is hereby accorded to the Board to create, grant, offer, issue and allot at any time, to or for the benefit of, such persons who are permanent employees of subsidiary companies, if any, of the Company, whether working in India or outside India, and the future subsidiary companies of the Company, if any, whether whole-time or not but excluding Independent Director(s), (selected on the basis of criteria decided by the Board) under the ESOP 2024 but excluding employees who are promoters or persons belonging to the promoter group and director(s) who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, such number of employee Stock Options ("Options") not exceeding 19,50,000 (Ninety Lakhs Fifty Thousand Only) convertible into equivalent number of equity shares (or such other number adjusted for change in capital structure or corporate actions in terms of ESOP 2024 as per applicable law), at such price and on such terms and conditions as may be fixed or determined by the Board in its sole and exclusive discretion.

RESOLVED FURTHER THAT pursuant to the provisions of the Act, SEBI SBEB Regulations, Listing Regulations, FEMA (including any statutory amendment(s), modification(s) or re-enactment(s) of the Act or the SEBI SBEB Regulations or Listing Regulations or FEMA, for the time being in force) and other rules, regulations and guidelines, if any, Memorandum and Articles of Associations of the Company, consent of the Members be and is hereby accorded to create, offer, issue and allot at any time, 19,50,000 (Ninety Lakhs Fifty Thousand Only) equity shares of Rs. 10/- (Rupees Ten) each (the "Equity Shares") (or such other number adjusted for change in capital structure or corporate actions in terms of the ESOP 2024 as per applicable law), upon exercise of Options at such price, in one or more tranches and on such terms and conditions including vesting criteria, as may be fixed or determined by the Board in its sole and exclusive discretion.

RESOLVED FURTHER THAT the maximum number of Equity Shares granted to Eligible Employees under the ESOP 2024 shall not exceed 19,50,000 (Ninety Lakhs Fifty Thousand Only) at such price or prices as may be determined by the Nomination and Remuneration Committee in its sole and absolute discretion. This limit as prescribed above is combined limit under ESOP 2024 for employees of own company and subsidiary company (ies) if any.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee may grant

Options to Employees of own company or subsidiary (ies) if any, during any one year, equal to or exceeding 1% of the issued capital of the company at the time of grant of the option subject to approval of shareholders via Special resolution for such identified employees before Grant of such options.

RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, decide upon and implement the ESOP 2024 on the terms and conditions contained therein and stated in the explanatory statement annexed hereto including instances where such Options shall lapse and to grant such number of Options, to such employees and Directors of the Subsidiary Company, at par or at such other price, at such time and on such terms and conditions as set out in the ESOP 2024 and as the Board may in its absolute discretion think fit, subject to applicable laws and to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in terms and conditions of the ESOP 2024 from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule, vesting conditions, withdraw or revive the ESOP 2024, as the Board may in its absolute discretion think fit, subject to applicable laws unless such variation, amendment, modification or alteration is not detrimental to the interest of the eligible employees who have been granted Options under the ESOP 2024.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division or other re-organisation of capital structure of the Company, as the case may be, the number of Awards and/or the Shares to be allotted upon exercise of the Awards shall be reasonably adjusted and in case of sub-division or consolidation of shares then the number of shares and the exercise price shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten) per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted options under the ESOP 2024.

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company upon the exercise of Options, shall rank pari passu in all respect including dividend with then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2024.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make any variation, amendment, modification or alteration in the ESOP 2024, as it may deem fit, from time to time in its absolute discretion in conformity with the provisions of the Act, the SEBI SBEB Regulations Listing Regulations and other applicable laws unless such variation, amendment, modification or alteration is not detrimental to the interest of the eligible employees who have been granted Options under the ESOP 2024.

RESOLVED FURTHER THAT the board be and is hereby authorised to take necessary steps for receipt of necessary approval(s) for listing, listing, lock in and trading of the Equity Shares

to be allotted under the ESOP 2024 on the Stock Exchanges, where the Equity Shares may be listed in compliance with the provisions of the Listing Regulations and other applicable laws, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things including the appointment of or authorizing or directing the appointment of various intermediaries, experts, professionals, independent agencies and other advisors, merchant bankers, valuers, consultants or representatives, being incidental to the effective implementation and administration of the ESOP 2024, as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and/or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of ESOP Plan and to take all such steps and do all such acts as may be incidental or ancillary thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any other committee of directors, to any Key Managerial Personnel, with power to further delegate such powers to any executives/officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

By Order of the Board
For Prostarm Info Systems Limited

Date: 17.09.2024
Place: Navi Mumbai

Sachin Gupta
Company Secretary
F-12500

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, in respect of the business as set out in the AGM Notice is annexed hereto.

2. Pursuant to the provisions of Section 105 the Companies 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.

3. A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A Member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.

5. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting.

6. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company.

7. All the relevant documents referred to in this notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days between 11.00 P.M. and 5.00 p.m. up to the date of the Annual General Meeting i.e. September 18, 2024.

8. In terms of the requirements of the Secretarial Standard on General Meetings (SS-2) Route-map to the venue of the Meeting is provided at the end of this Notice.

9. Copy Forwarded to

   a) All Directors
   b) M/s Mansaka Ravi & Associates, Statutory Auditors.

EXPLANATORY STATEMENT PERSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4.

In order to further meet the funding requirements of the Company so as to facilitate growth and expansion of business of the company, the Board of Directors now seek the approval of the members of the Company to propose to make an Initial Public Offer of equity shares through a fresh issue of equity shares not exceeding Rs. 200,00,00,000/- (Rupees Two hundred Crore Only) equity shares of face value of Rs 10/- (Rupees Ten only) each or such other equity shares as may be decided by the Board at such price as may be determined in any mode whether fixed or through Book- Building mechanism in consultation with the merchant banker(s) or any other advisor(s) and by following the procedures stated in the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment or re-enactment thereof) and the Rules framed there under, the provisions of the Securities Contracts Regulations Act, 1956 and the Rules framed there under, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. The shares would be eligible for being listed on recognized Stock Exchanges in India.

The details regarding number of shares to be offered/ offer price shall be decided in consultation of merchant bankers.

Additionally, to the extent the above requires amendments to be made in terms of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force, the Companies Act, 2013, the SEBI (ICDR) Regulations, any other law or if recommended by various advisors to the Company in connection with the IPO, the Board will make necessary amendments.

Mr. Ram Agarwal and Mr. Vikas Agarwal and their relatives (as defined in the Companies Act, 2013) may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company and none of other Directors, Key Managerial Personnel, Senior Managerial Personnel and their relatives are concerned or deemed to be interested in the proposed resolution, except in ordinary course of business.

ITEM NO. 5

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies)) covered under the category of 'a person in whom any of the director of the company is interested as specified in the explanation to section 185 (2) of the Companies act, 2013, after passing a special resolution in the general meeting.

The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/ or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the

borrowing company in which directors are interested for its principal business activities only. The Board of Directors recommend for Shareholders approval through Special resolution.

None of the Directors or Key Managerial Personnel of the Company and/ or their relatives is concerned or interested, financially or otherwise in the aforesaid resolution.

ITEM NO. 6

Upon the recommendation of the Audit Committee, Company's Board of Directors approved the appointment and remuneration of M/s Y R Doshi & Associates, Cost Accountant (Firm Registration No. 000003) be and are appointed as cost auditors to conduct the audit of the cost records of the Company for the Financial Year 2024-25. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the appointed cost auditor is to be ratified by the members of the Company.

Accordingly, the members are requested to ratify the remuneration payable to the cost auditors as set out in the Resolution for the aforesaid services to be rendered by them. The Board recommends passing of the Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and/ or their relatives is concerned or interested, financially or otherwise in the aforesaid resolution.

ITEM NO. 7

Mrs. Sonu Ram Agarwal, is wife of Mr. Ram Agarwal and Sister of Mr. Vikas Agarwal. Mrs. Sonu Ram Agarwal is also a Promoter of the Company. She was also the Whole Time Director of the Company till 07.07.2023. After her resignation from the Directorship of the Company, she was appointed as the Sr. Manager-Admin of the Company from 08.07.2023 to 31.03.2024.

The Board of Directors of the Company hereby seeks ratification of this continuation of appointment and remuneration payable to her from the members of the Company for her appointment as the Sr. Manager-Admin of the Company. The Board of Directors recommend for Shareholders approval through Special resolution.

Mr. Ram Agarwal and Mr. Vikas Agarwal and their relatives (as defined in the Companies Act, 2013) may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company and none of other Directors, Key Managerial Personnel and their relatives are concerned or deemed to be interested in the proposed resolution.

ITEM NO. 8

Mr. Tapan Ghose was appointed as a Chairman & Managing Director of the Company by the members at the 16th Annual General Meeting of the Company held on September 30, 2023 for a period of five consecutive years commencing from August 8, 2023 to August 7, 2028.

Further, pursuant to the provisions of Sections 196, consent of members by way of special resolution is required for appointment or continuation of directorship of Managing Director, beyond the age of 70 years.

Accordingly, Mr. Tapan Ghose will attain the age of 70 years with effect from March 22, 2025 and approval of members is required for the continuation of his directorship from the day he attains the age of 70 years till the expiry of his current term till August 7, 2028 on the same terms and condition as approved by the members at the 16th Annual General Meeting of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Tapan Ghose as a Chairman & Managing Director.

Accordingly, the Board recommends passing of the Special Resolution in relation to continuation of directorship of Mr. Tapan Ghose as a Chairman & Managing Director till the expiry of the current term till August 7, 2028, for the approval by the shareholders of the Company.

Mr. Tapan Ghose being the appointee is interested in the resolution. 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.

ITEM NO. 9 and 10

In today's competitive world, the employees of a company are its most important resource and asset. Your Company fully recognizes the same and therefore, wants its employees to participate and share the fruits of growth and prosperity along with the Company.

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share-based compensation scheme/plan. Your Company believes in rewarding its employees including Directors of the Company as well as that of the subsidiary companies, if any, for their continuous hard work, dedication and support, which has led the Company and its subsidiary company(ies) on the growth path. To this end, the Company intends to grant its selected Employees' Stock Options ("Options"), with a view to attract and retain key talents working with the Company, its Subsidiary Company(ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. With the above objective, the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include the Nomination and Remuneration Committee constituted by the Board or any other Committee which the Board may constitute to act as the compensation Committee ("Nomination and Remuneration Committee ") under the SEBI Share Based Employee Benefits and Sweat Equity Regulations 2021 ("SEBI SBEB Regulations") has proposed **'Prostarm Employee Stock Option Plan 2024 ("ESOP 2024"/ "ESOP Plan"/ "Plan")'**. The ESOP 2024 has been formulated in accordance with the Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and SEBI SBEB Regulations. The terms and broad framework of the ESOP 2024 have been approved by the Board of Directors of the Company through a resolution dated September 17, 2024.

Under the ESOP 2024, the eligible employees shall be granted Options in the form of options which will be exercisable into equity shares of Rs. 10/- (Rupees Ten) each of the Company (the "Equity Shares"). The maximum number of Equity Shares to be issued and allotted under the ESOP 2024 shall be limited to 19,50,000 (Ninety Lakhs Fifty Thousand Only) Equity Shares of the Company representing approximately 4.55% of the current paid-up equity shares of the Company.

The ESOP 2024 will be administered by the Nomination and Remuneration Committee of the Board constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 (the "Act").

The salient features, relevant disclosures and details of the ESOP 2024 are as follows:

a) Brief description of the Prostarm Employee Stock Option Plan 2024

This proposed plan called the "Prostarm Employee Stock Option Plan 2024" ("ESOP 2024") provides alternatives to the Company to grant incentives to eligible employees (as selected by the Nomination and Remuneration Committee/Compensation Committee) Options and subject to applicable law and terms and conditions of ESOP 2024, the eligible employees shall be entitled to receive Equity Shares upon fulfilment of those conditions as is determined by the Nomination and Remuneration Committee/Compensation Committee.

The objectives of the ESOP 2024 are to create a variable pay structure for the employees, incentivize them in line with Company's performance, and to retain and motivate senior and critical human resources and promote loyalty to the Prostarm Group.

The key objectives of the ESOP Plan are:

1) create a sense of ownership and participation amongst the employees;
2) motivate the employees with incentives and reward opportunities;
3) drive entrepreneurship mindset of value creation for the organization;
4) provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company; and
5) achieve sustained growth of the Company and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.

b) Total number of Options to be granted

The total number of Options that may in the aggregate be granted shall be such number that would entitle the grantees to acquire, in one or more tranches, such equity shares of the Company not exceeding 19,50,000 (Ninety Lakhs Fifty Thousand Only) equity shares of Rs. 10/- each (Rupees Ten) (the "Equity Shares") being approximately 4.55 % of the paid-up equity shares of the Company. Upon exercise, each Option entitles the relevant grantee to one Equity Share.

In case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division or other reorganisation of capital structure of the Company, as the case may be, the number of Options and/or the shares to be allotted upon exercise of Options shall be reasonably adjusted as per the provisions of the ESOP 2024 and in case of sub-division or consolidation of shares then the number of shares and the exercise price shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten) per Equity Share bears to the revised

face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the eligible employees who have been granted Options under the ESOP 2024.

Options not vested due to non-fulfilment of the vesting conditions, vested Options which the grantees expressly refuse to exercise, Options (vested and not exercised and unvested) which have been surrendered and any Options granted but not vested or exercised within the stipulated time due to any reasons, shall lapse and these Options or the underlying Equity Shares will be available for grant under the present ESOP 2024 or under a new scheme, subject to compliance with applicable laws.

c) Identification of classes of employees entitled to participate in the ESOP 2024

Following classes of employees shall be eligible to participate in the ESOP Scheme, in line with SBEB regulation 2(i):

1) an employee of the Company working in India or out of India; or
2) a director of the company, whether a Whole-Time Director or not, including a non-executive director who is not a member of the promoter group but excluding an independent director; or
3) an Employee as defined in sub-clauses (1) or (2) of a group company including a subsidiary or its associate company, in India or outside India, of the company. but excludes
   i. an employee who is a Promoter or belongs to the Promoter Group; or
   ii. a director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.

The eligibility of an employee shall be determined by the Nomination and Remuneration Committee as per the eligibility criteria as may be determined by the Board/ Nomination and Remuneration Committee.

d) Requirements of vesting, period of vesting

The Board or the Nomination and Remuneration Committee may, at its discretion, lay down certain criteria including, but not limited to, the performance metrics on the achievement of which the granted Options would vest, the detailed terms and conditions relating to such performance based vesting, and the proportion in which Options granted can vest, and which may be specified in the respective grant letters/award agreement or the vesting letters to be issued in this regard, The detailed terms and conditions relating to such criteria for vesting, the period over which and the proportion in which the Options granted would vest will be subject to the minimum and maximum vesting period as specified below.

Vesting period for Options: The Options would vest not earlier than 1 (one) year or such time period as may be prescribed under the Applicable Law including but not limited to SEBI (SBEB) Regulations. The options would vest not later than 5 (five) years from the date of grant of options.

The vesting schedule (i.e. exact proportion in which and the exact period over which the Options would vest) would be determined by the Nomination and Remuneration Committee. The Options granted under the ESOP 2024 may vest in one or more tranches.

e) Maximum period within which the Options shall be vested:

All the Options granted on any date shall vest not later than the maximum period of 5 (five) years from the date of grant of options, as may be determined by the Nomination and Remuneration Committee.

f) Exercise price or pricing formula

Subject to SEBI Regulations, the Nomination and Remuneration Committee, in its absolute discretion, shall determine the Exercise Price of the Options granted under the Plan, as it may deem appropriate in conformity with the applicable accounting policies, if any, provided that the Exercise Price shall not be less than the face value of the Shares or any higher price which may be decided by the Committee considering the prevailing market conditions and the norms as prescribed by SEBI and other relevant regulatory authorities, as stated in the Grant Letter of each Grantee.

g) Exercise period and the process of exercise

Exercise period would commence from the vesting date and would expire not later than 3 (three) years from the vesting date of respective tranches of Options or such other shorter period as may be decided by the Nomination and Remuneration Committee, as stated in the Grant Letter of each Grantee. If the Options are not exercised within the exercise period they shall lapse and be cancelled forthwith. The Company shall not have any obligations to the Option holder towards such lapsed Options.

The vested Option shall be exercisable by the Option grantees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Nomination and Remuneration Committee from time to time. Exercise of Options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the Option grantee and on execution of such other documents, as may be prescribed by the Nomination and Remuneration Committee from time to time.

h) The appraisal process for determining the eligibility of employees

The appraisal process for determining the eligibility of the employees will be specified by the Board or the Nomination and Remuneration Committee from time to time, and will be based on criteria, such as level, role/criticality of the employee, length of service with the Company, work performance, and such other criteria that may be determined by the Board or the Nomination and Remuneration Committee, as applicable, at its sole discretion. The Board or the Remuneration Committee may decide to extend the benefits of the ESOP 2024 to new entrants or to existing eligible employees on such basis as it may deem fit, in accordance with applicable law.

i) Maximum number of Options to be issued per employee and in aggregate

The maximum number of Options that may be granted to any specific employee of the Company under the ESOP 2024 in any financial year and in aggregate, shall not exceed 19,50,000 (Ninety Lakhs Fifty Thousand Only) Options. which shall be adjusted in lieu of corporate actions, adjustments/re-organisation of capital structure of the Company from time to time. Prior approval of shareholders in the general meeting shall be obtained by way of a special resolution in case the Grant of Options to any identified Employee is equal to or more than 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option.

j) Maximum quantum of benefits to be provided per employee under the ESOP 2024

The maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the fair market value or market price of the shares as on the date of exercise of options. Apart from grant of Options as stated above, no monetary benefits are contemplated under the ESOP 2024.

k) Route for ESOP 2024 implementation and administration

The ESOP 2024 shall be implemented and administered directly by the Company.

l) Source of acquisition of shares under ESOP 2024

The ESOP 2024 contemplates issue of fresh/ primary shares by the Company.

m) Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc,

This is currently not contemplated under the present ESOP 2024.

n) Maximum percentage of secondary acquisition

This is not relevant under the present ESOP 2024.

o) Accounting and Disclosure Policies

The Company shall follow the Ind AS 102 on Share based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing guidance note, or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

p) Method of Option valuation

The Company shall adopt 'fair value method' for valuation of Options as prescribed under Ind AS 102 on Share based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time.

q) Declaration

In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Board's Report.

r) Period of lock-in

The Shares arising out of Exercise under ESOP 2024 shall be subject to no lock-in period.

s) Terms & conditions for buyback, if any, of specified securities

This is not relevant under the present ESOP 2024.

Consent of the members is being sought by way of special resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and as per Regulation 6 of the SEBI SBEB Regulations.

A draft copy of the ESOP 2024 shall be open for inspection by the Members in electronic mode. Members can inspect the same by sending an email to sales@prostarm.com.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the ESOP 2024.

In light of above, you are requested to accord your approval to the Special Resolution.

ANNEXURES TO THE NOTICE

ANNEXURE I

Information of director seeking appointment at the forthcoming Annual General Meeting.

Name of the Director	Vikas Agarwal
Directors Identification Number	01940262
Date of Birth (Age in years)	November 26, 1984 (39)
Original date of appointment	01-08-2008
Qualifications	He holds an Intermediate in commerce from the Gujarat University.
Brief Resume, Experience and expertise in specific functional area	He holds over 16 years of experience in the fields of power conditioning and power consumption solutions. His roles and responsibilities include procurement and inventory management.
Shareholding in the Company	1,41,47,029 Equity Shares 33%
Remuneration last drawn	INR 600,000 / p.a.
No. of Board meetings attended during the year	2
Terms and conditions of appointment and remuneration	From March 31, 2023 till March 29, 2028, liable to retire by rotation
Relationship with other Directors or KMPs	Brother in Law of Ram Agarwal, CEO and Whole Time Director
Directorships held in other companies in India	EV Swapping Private Limited Prostarm Energy Systems Private Limited
Membership / Chairmanship of committees in public limited and listed companies in India	NIL

ANNEXURE II

Information of director seeking appointment at the forthcoming Annual General Meeting.

Name of the Director	Tapan Ghose
Directors Identification Number	01739231
Date of Birth (Age in years)	22.03.1955 (69 years)
Original date of appointment	01.08.2008
Qualifications	B. Com
Brief Resume, Experience and expertise in specific functional area	Tapan Ghose is the Chairman and Managing Director of our Company and has been associated with our Company since August 1, 2008. He holds a bachelor's degree in commerce from St. Xavier College, Kolkata. He holds over 26 years of experience in the fields of electrical and electronic control, energy storage, power conditioning and power consumption solutions. His roles and responsibilities include administration, formulation and implementation of business strategy for growth and expansion of our business.
Shareholding in the Company	Nil
Remuneration last drawn	Rs. 18.23 Lakhs
No. of Board meetings attended during the year	5
Terms and conditions of appointment and remuneration	As approved in the 16th AGM held on 30.09.2023
Relationship with other Directors or KMPs	No Personal Relationship
Directorships held in other companies in India	Nil
Membership / Chairmanship of committees in public limited and listed companies in India	None in other than Prostarm Info Systems Limited

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

I / We hereby record my/our presence at 17th Annual General Meeting of the Members of "Prostarm Info Systems Limited" on 18th Day of September, 2024 at the Registered Office of the Company situated at **Plot No. EL-79, TTC MIDC, Mahape, Navi Mumbai, Maharashtra 400710 India.**

Registered Folio No. / DP ID No. / Client ID No……

Name of the Member……

No. of Shares held…….....

Name of the Proxy holder……
(To be filled if the Proxy attends instead of the Member)

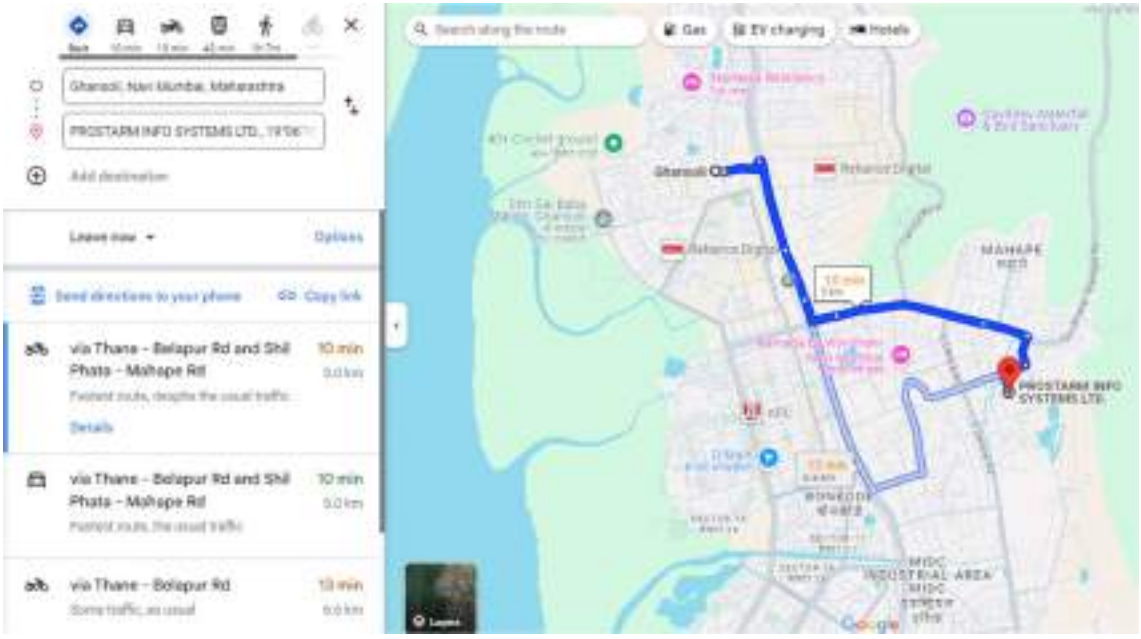
_____

Member's / Proxy Signatures
(To be signed at the time of handing over this slip)

Notes: -

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No./DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.

Map for reaching the venue of the 17th Annual General Meeting of Prostarm Info Systems Limited to be held on 18th Day of September, 2024 at 03:30 P.M. at the registered office situated at Plot No. EL-79, TTC MIDC, Mahape, Navi Mumbai, Maharashtra 400710 India.



DIRECTORS' REPORT

Dear Members,

Your Directors take immense pleasure in presenting the 17th Annual Report of the Company together with the Audited Financial Statement for the financial year ended 31st March 2024.

1. FINANCIAL SUMMARY & HIGHLIGHTS:

The key highlights of the standalone and consolidated audited financial statements of your Company for the financial year ended 31st March 2024 and comparison with the previous financial year ended 31st March 2023 are summarised below:

(₹. In Lakhs)

Particulars	Standalone		Consolidated	
	Financial Year ended 31st March 2024	Financial Year ended 31st March 2023	Financial Year ended 31st March 2024	Financial Year ended 31st March 2023
Revenue from operations	25,598.68	22,923.49	25,787.04	23036.32
Other Income	136.20	197.81	136.21	198.32
Total Income	25,734.88	23,121.30	25,923.25	23,234.65
Total Expense	22,497.94	20,326.10	22,827.96	20,615.82
Profit before tax	3,236.94	2,795.20	3,095.29	2,618.83
Tax expenses	841.10	733.78	812.75	688.06
Profit after taxation	2,395.84	2,061.42	2,282.53	1,930.77
Earnings per share	5.59	4.81	5.44	4.65

- Earnings Per Share is in absolute figures.
- The consolidated figures include the Financial Performance of our Subsidiary Company - Prostarm Energy Systems Private Limited (CIN: U29308PN2021PTC202708)
- During the financial year under review, the Company achieved a standalone turnover of ₹ 25,598.68 /- Lakhs as compared to the ₹ 22,923.49 Lakhs in the previous financial year, thereby showing growth of 11.67%
- The Company earned a net profit of ₹ 2,395.84 Lakhs as compared to ₹ 2,061.42 Lakhs in the previous financial year. Thereby showing growth of 13.95%
- The Company achieved a consolidated turnover of ₹ 25787.04 Lakhs as compared to the ₹ 23036.32 Lakhs in the previous financial year. The growth in the consolidated turnover is 11.94%.
- The Company earned a consolidated net profit of ₹ 2,282.53 Lakh as compared to ₹ 1930.77 Lakh in the previous financial year. The comparative growth was 18.22%.

2. DIVIDEND

With a view to ploughing back profit into the business and exploiting more business opportunities, no dividend was declared to equity shareholders during the year under review Company.

Further the Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend for the year under review.

3. TRANSFER TO RESERVES:

During the year under review, no amount was transferred to Reserves.

4. SUBSIDIARY:

During the year under review, Company have one Subsidiary i.e. Prostarm Energy Systems Private Limited (CIN: U29308PN2021PTC202708), the details of the subsidiary is mentioned in the Annexure A to this report.

5. PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Sections 73 and 76 of the Companies Act 2013, read with Companies (Acceptance of Deposits) Rules, 2014 and hence there were no outstanding deposits and no amount remaining unclaimed with the Company as on 31st March 2024.

6. SHARE CAPITAL:

During the Financial Year, under review the Company has increased its Authorised Equity Share Capital from Rs. 55,00,00,000/- (Rupees Fifty Five Crores Only) to Rs. 61,00,00,000/- (Rupees Sixty One Crores Only).

There was no alteration in the paid up Equity Share Capital of the Company.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Vikas Agarwal (DIN: 01940262) is liable to retire by rotation and is eligible to be re-appointed on the same designations. Pursuant to Secretarial Standards – 2 on General Meetings, brief details of Mr. Vikas Agarwal is provided as an Annexure to the Notice of the Annual General Meeting.

During the Financial Year under reporting, Ms. Sonu Ram Agarwal (DIN: 01920474) resigned from the Board of Directors of the Company w.e.f. 07.07.2023.

During the Financial Year under reporting Mr. Tapan Ghose, Chairman cum Managing Director of the Company was re-appointed as the Managing Director of the Company for another term of 5 year i.e. from 08.08.2023 to 07.08.2028 in the Board Meeting Dated 10.07.2023. The same was approved by the Shareholders in the AGM dated 30.09.2023

During the year, Mr. Prashant Patankar has resigned as Company Secretary of the Company with effect from 30.11.2023.

After the closure of Financial Year, on recommendation of Nomination and Remuneration Committee, the Company has appointed Mr. Kiran Subhash Mukadam (Membership No. A-27627) as the Company Secretary, Compliance Officer and KMP, effective 29.05.2024 and he resigned as the Company Secretary, Compliance Officer and KMP w.e.f. 26.08.2024. Further, on recommendation of Nomination and Remuneration Committee, the Company has appointed Mr. Sachin Gupta (Membership No. F-12500) has been appointed as the Company Secretary, Compliance Officer and KMP, effective 27.08.2024.

8. CHANGE IN THE NATURE OF BUSINESS:

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

9. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS:

In terms of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors are appointed for a term of 5 years and are not liable to retire by rotation.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

10. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for appointment and remuneration of Directors, Senior Management Personnel including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013.

Abstract of Nomination and Remuneration Policy is as under:

I. Policy for Appointment and Removal of Director, Key Managerial Personnel and Senior Management:

a. 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 his / her appointment, as per Company's Policy.
b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
c. 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.

II. Criteria for determining qualifications, positive attributes and independence of Director's is as under:

a. Nominees to the Board will be leaders in their field, have broad experience, show familiarity with national and international issues, possess sound business judgment, and have other attributes that will enhance shareholder value.
b. The Board will seek acting or former executive officers of complex businesses, leading academics, successful entrepreneurs and individuals who will add diversity to the Board.
c. The Board will possess experiences and core competencies that are essential to the success of the Company having regard to the nature of its business.
d. Each Director also should:
    i. Possess fundamental qualities of intelligence, perceptiveness, good judgment, maturity, high ethics and standards, integrity and fairness.
    ii. Have a genuine desire to contribute to the Company and a recognition that, as a member of the Board, one is accountable to the shareholders of the Company, not to any particular interest group.
    iii. Have, as a general rule, a background that includes broad business experience or demonstrates an understanding of business and financial affairs and the complexities of a large, multifaceted, global business organization.
    iv. Be the present or former Chief Executive Officer, Chief Operating Officer, whole time director or substantially equivalent level executive officer of a highly complex organization such as a Company, university or major unit of government, or a professional who regularly advises such organizations.
    v. Have no irreconcilable conflict of interest or legal impediment which would interfere with the duty of loyalty owed to the Company and its shareholders.
    vi. Have the ability and be willing to spend the time required to function effectively as a Director.
    vii. Be compatible and able to work well with other Directors and executives in a team effort with a view to a long-term relationship with the Company as a Director.

viii. Have independent opinions and be willing to state them in a constructive manner.

e. Directors will be selected on the basis of talent and experience without regard to race, religion, sex or national origin. The Company seeks a Board with a diversity of background among its members and a Board that will possess certain core competencies.

f. Apart from the above the independent director nominees/candidates/re-appointees shall be required to be independent of the company in terms of the provisions of Section 149(6) of the Companies Act, 2013 (including rules thereto) and as per the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

III. Policy For Remuneration to Directors / KMP/ Senior Management Personnel:

1) Remuneration to Managing Director/Whole-time Directors:

a) The Remuneration /Commission etc. to be paid to the Managing Director /Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director /Whole-time Directors.

2) Remuneration to Non-Executive /Independent Directors:

a) The Non-Executive /Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non-Executive /Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d) Any remuneration paid to Non-Executive /Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause(b) above if the following conditions are satisfied:

- The Services are rendered by such Director in his capacity as the professional; and
- In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.

c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, etc. as decided from time to time.

d) The Incentive pay shall be decided based on the balance between the performance of the Company and the performance of the Key Managerial Personnel to be decided annually or at such intervals as may be considered appropriate.

11. PARTICULARS OF REMUNERATION:

During the financial year under review, no employee was in receipt of remuneration exceeding the limits as prescribed under provisions of Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. During the year under review, no Director was in receipt of remuneration exceeding the limits as prescribed under provisions of Section 197, Schedule V of the Companies Act, 2013. Further, the remuneration of Directors and Key Managerial Personnel are as follows:

Remuneration Paid/Payable to the Whole Time Director/ Executive Directors during the Year:

(₹. In Lakhs)

Name of Director/KMP	Designation	Remuneration
Mr. Tapan Ghose	Chairman and Managing Director	18.23
Mr. Ram Agarwal	CEO & Whole Time Director	54.23
Mr. Vikas Agarwal	Whole Time Director	6.00
Mr. Raghu Thammannashastri	Whole Time Director	24.23
Ms. Sonu Ram Agarwal	Whole Time Director (01.04.2023 to 07.07.2023)	7.05

Sitting Fee Paid/Payable to the Non-Executive Independent Directors During the Year:

Name of Director/KMP	Designation	Remuneration
Mr. Bhargav Chatterjee	Independent Director	0.88
Mr. Goutam Paul	Independent Director	0.73
Mr. Shivkumar Baser	Independent Director	0.58
Mr. Ganesh Pansari	Independent Director	0.40
Ms. Mitali Chatterjee	Independent Director	0.40

Remuneration Paid/ Payable to the Other KMPs during the year:

Name of Director/KMP	Designation	Remuneration
Mr. Abhishek Jain	CFO	20.87
Mr. Prashant Patankar (upto 30 November, 2023)	Company Secretary	3.91

12. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3)(c) of the Act, the Board of Directors states and confirms that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
b. 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 of the company for that period;
c. 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;
d. the directors have prepared the annual accounts on a going concern basis;
e. 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; and
f. 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.

13. MEETINGS OF THE BOARD OF DIRECTORS:

During the Financial Year 2023-2024, the Board of Directors met five times on 10th July 2023, 19th July 2023, 9th November 2023, 26th December 2023 and 28th March 2024.

The attendance of Directors at the Meeting of the Board of Directors for Financial Year 2023-24 is as under:

Sr. No.	Name of Directors	Designation	No. of Board meeting held / entitled to attend and no. of meetings attended by the director
1	Tapan Ghose	Chairman and Managing Director	5/5
2	Ram Agarwal	CEO & Whole-time Director	3/5
3	Vikas Agarwal	Whole-time Director	2/5
4	Raghu Thammannashastri	Whole-time Director	4/5
5	Mitali Chatterjee	Independent Director	3/5
6	Bhargav Chatterjee	Independent Director	5/5
7	Goutam Paul	Independent Director	5/5
8	Shivkumar Baser	Independent Director	5/5
9	Ganesh Pansari	Independent Director	4/5

14. ANNUAL EVALUATION OF THE PERFORMANCE OF BOARD:

Pursuant to the provisions of the Companies Act, 2013, a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and Individual Directors. Schedule IV to the Companies Act, 2013, states that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria.

The Board has carried out evaluation of its own performance of all, the Directors individually as well as the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee of the Company for the financial year 2023-24. The Board has devised questionnaire to evaluate the performances of each of Executive, Non-Executive and Independent Directors. Such questions are prepared considering the business of the Company and the expectations that the Board have from each of the Directors. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

i. Attendance at Board Meetings and Committee Meetings;
ii. Quality of contribution to Board deliberations;
iii. Strategic perspectives or inputs regarding the future growth of the Company and its performance;
iv. Providing perspectives and feedback going beyond the information provided by the management.

15. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the code of Independent Directors under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on March 24, 2024, to review, among other things, the performance of non-Independent Directors and the Board as a whole, evaluation of the performance of the Chairman and the flow of communication between the Board and the management of the Company.

16. COMMITTEES OF THE BOARD:

During the year under review, consequent to the changes in the Board of Directors, the Committees of the Board were re-constituted in accordance with the provisions of the Companies Act, 2013. The Committees of Board as constituted under the provisions of Companies Act, 2013 are:

a. Audit Committee
b. Nomination and Remuneration Committee
c. Corporate Social Responsibility (CSR) Committee

During the year under review, a Risk Management Committee was dissolved by the Board of Director on its meeting held on 28.03.2024.

The composition of various Committee/s, meetings held and attended by the members is detailed below:

a. AUDIT COMMITTEE:

The terms of reference of this committee cover the matters specified for audit committee in section 177 of the Companies Act, 2013. The audit committee inter alia performs the functions of review of financial reporting system, internal controls system, discussion on financial results, interaction with statutory and internal auditors, reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process, reviewing the adequacy of internal audit function, to review the functioning of the whistle blower mechanism , scrutiny of inter-corporate loans and investments, recommendation for the appointment of statutory, internal and cost auditors and their remuneration, review of internal audit reports and significant related party transactions. In fulfilling the above role, the audit committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice. The Audit Committee is duly constituted in accordance with the provisions of Section 177 of the Companies Act, 2013.

The Audit Committee met three times during the financial year 2023-24 viz. on:

The composition of the Audit Committee as on March 31, 2024, and the number of meetings attended by each member during the year 2023-24 are as follows:

Name of Members	Designation	Category	No. of Committee Meetings	
			Held/ entitled	Attended
Mr. Bhargav Chatterjee	Chairman	Non-executive, Independent Director	03	03
Mr. Shivkumar Baser	Member	Non-executive, Independent Director	03	01
Mr. Goutam Paul	Member	Non-executive, Independent Director	03	03
Mr. Ram Agarwal	Member	CEO and Whole Time Director	03	02

The Company Secretary of the Company acts as a Secretary to the Committee. During the year under review, the Board has accepted all recommendations of the Audit Committee and accordingly, no disclosure is required to be made in respect of non-acceptance of any recommendation of the Audit Committee by the Board.

The Audit Committee of the Company reviews the reports to be submitted to the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process.

b. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is duly constituted in accordance with provisions of Section 178 of the Companies Act, 2013. During the year under review Nomination and Remuneration Committee met one times during the Financial Year 2023-24 viz. on:
The previous composition and the number of meetings attended by each member during the year 2023-24 are as follows:

Name of Members	Designation	Category	No. of Committee Meetings Held / entitled to attend
Ms. Mitali Chatterjee	Chairman	Non-executive, Independent Director	1/1
Mr. Bhargav Chatterjee	Member	Non-executive, Independent Director	1/1
Mr. Ganesh Pansari	Member	Non-executive, Independent Director	1/1
Mr. Tapan Ghose	Member	Chairman & Managing Director	1/1

The Company Secretary of the Company acts as a Secretary to the Committee.

The terms of reference of this committee cover the matters specified for Nomination & Remuneration Committee in section 178 of the Companies Act, 2013 including

• To help the Board in determining the appropriate size, diversity and composition of the Board,
• To recommend to the Board appointment/re-appointment and removal, recommend remuneration of directors and senior management,
• To frame criteria for determining qualifications, positive attributes, and independence of Directors,
• To create an evaluation framework for independent directors and the Board.

Board Evaluation:

At Prostarm we believe that it is the collective effectiveness of the Board as a whole that impact Company's performance which is a, the primary evaluation platform. Board performance is assessed against the roles and responsibilities of the Board as provided in the Act. Independent Directors of your Company met on March 28, 2024 to evaluate the performance of the Board and the executive and non-executive directors of the Company as per the criteria laid down by the Nomination and Remuneration Committee.

c. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility (CSR) Committee is duly constituted in accordance with to the provision of Section 135 of the Companies Act, 2013. During the year under review, the CSR Committee met two times viz. on July 8, 2023 and November 8, 2023;

The composition of CSR Committee as on March 31, 2024, and the number of meetings attended by each member during the year 2023-24 are as follows:

Name of Members	Designation	Category	No. of Committee Meetings entitled to attend / attended
Mr. Tapan Ghose	Chairman	Chairman and Managing Director	2/2
Ms. Raghu Thammannashastri	Member	Whole-Time Director	1/1
Mr. Bhargav Chatterjee	Member	Non-executive, Independent Director	2/1

*Mrs. Sonu Agarwal ceased to be member of the Committee w.e.f. 07.07.2023.
**Mr. Raghu Thammannashastri, appointed as a member of the Committee w.e.f. 19.07.2023.

The Corporate Social Responsibility Committee has been constituted in order to support initiatives in the field of health, safety, education, infrastructure development, environment, relief and assistance in the event of a natural disaster, livelihood support, animal welfare and contributions to other social development organizations and also through collaborations with several Trusts and NGOs in accordance with the provisions of Section 135 of the Companies Act, 2013

17. AUDITORS:

STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the auditors of the Company, M/s Mansaka Ravi and Associates, Chartered Accountants (FRN No. 015023C) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting (AGM) of the Members held November 30, 2021. The audit report for FY 2023-24 is unmodified, i.e., it does not contain any qualification, reservation, or adverse remark.

COST AUDITORS:

Pursuant to Section 148 of the Companies Act, 2013 and rules made thereunder, the Board of Directors had on the recommendation of the audit committee, appointed M/s Y R Doshi & Associates, Cost Accountant (Firm Registration No. 000003), to audit the cost accounts of the Company for the F.Y. 2023-24 at a remuneration of Rs. 45,000/-

For the Financial Year 2024-25, M/s Y R Doshi, Cost Accountant has again appointed as a cost auditor, to audit the cost accounts of the Company at a remuneration of Rs. 75,000/- plus applicable tax, reimbursement of out-of-pocket expenses, subject to ratification by the shareholders at ensuing AGM. Accordingly, a resolution seeking Members' ratification for the remuneration payable to Cost Auditors is given in the notice. The Company is in compliance with maintenance of cost records as specified by the Central Government under section 148 (1) of the Companies Act, 2013, and Rule 8(5)(ix) of Companies (Accounts) Rules].

SECRETARIAL AUDITORS:

During the year under review the provisions of Section 204 of the Act, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, was not applicable to the Company. But the same is applicable to the company for Financial Year 2024-25 and Board has appointed Ritu Somani & Associates, Practicing Company Secretary as a Secretarial Auditor of the Company for Financial Year 2024-25.

INTERNAL FINANCIAL CONTROL:

The Company has appointed internal auditor as per section 138 of the Companies Act 2013. The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company Policies, safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The Audit Committee evaluates the efficiency and adequacy of financial control system in the Company, its compliance with operating systems, and accounting procedures at all locations of the Company and strives to maintain a high standard of Internal Financial Control.

18. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS:

Pursuant to Section 143(12) of the Companies Act, 2013, during the year under review there were no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors. Hence, there is nothing to report under Section 134(3)(ca) of the Companies Act, 2013.

19. VIGIL MECHANISM POLICY:

The Company is committed to adhering to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards the Company encourages the employees to raise their genuine concerns without fear of criticism. Therefore, it has built-in and set up the Vigil Mechanism, under this mechanism all the employees and Directors of the Company are eligible to make disclosures in relation to matters concerning the Company.

We affirm that during the year under review, no employee or Directors were denied access to the Audit Committee. The Vigil Mechanism Policy is available on the website of the Company at www.prostarm.com

20. CORPORATE SOCIAL RESPONSIBILITY INITIATIVE:

Pursuant to the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility) Rules, 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. As part of its initiatives under CSR, the Company has identified various projects. These projects are in accordance with Schedule VII of the Act. The Policy on Corporate Social Responsibility is available on the website of the Company at www.prostarm.com

The Annual Report on CSR activities is annexed as **"Annexure B"** and forms part of this report.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review Company did not provide any loan guarantee or investments under Section 186 of the Act.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the Related Party Transactions entered during the financial year were in the ordinary course of the business and on arm's length basis and the same are reported in the Notes to the Financial Statements. No Material Related Party Transactions were entered during the year by your Company. The policy on Related Party Transactions as approved by the Board is available on the Company's website at www.prostarm.com

Accordingly, disclosures of Related Party Transactions as required under Section 134(3) of the Act, in form AOC-2 is annexed as "**Annexure C"** to this report.

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to the conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in "**Annexure D**" and forms part of this Report.

24. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

25. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company or will have bearing on company's operations in future.

26. RISK AND AREAS OF CONCERN:

The major risks faced by your Company are on account of volatility in the prices of its raw materials and foreign exchange rates. The Company has laid down a well-defined Risk Management Policy to mitigate its risks, covering risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is carried out by the employees designated by Board to identify, evaluate, manage and monitor both business and non-business risks. In this regard, your Company continues to exercise prudence in its inventory control and hedging policies. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

27. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with the provisions of Secretarial Standard-1 (For meetings of Board of Directors and Committees) and Secretarial Standard-2 (For General Meetings).

28. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under.

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment.

The Company did not receive any complaints of sexual harassment during the financial year 2023-24.

29. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

No such application has been filed by the Company or against the Company.

30. ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the continuous cooperation, assistance and support extended by all stakeholders, Government Authorities, Financial Institutions, Banks, Customers, Dealers, Suppliers, Consultants, Solicitors and Shareholders of the Company. Your Directors also acknowledge and appreciate the contribution made by dedicated and loyal employees

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
(DIN: 01739231)

Ram Agarwal
Whole Time Director & CEO
(DIN: 01739245)

Date: 17.09.2024
Place: Navi Mumbai

ANNEXURE-A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. in Lakhs unless expressly stated)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Prostarm Energy Systems Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA
4.	Share capital	₹ 678.00
5.	Reserves & surplus	(₹ 343.65)
6.	Total assets	₹630.22
7.	Total Liabilities	₹630.22
8.	Investments	₹ 0.10
9.	Turnover	₹1,934.30
10.	Profit before taxation	(₹ 141.65)
11.	Provision for taxation	(₹36.73)
12.	Profit after taxation	(₹104.92)
13.	Proposed Dividend	₹ 0
14.	% of shareholding (in actual)	51%

Part "B": Associates and Joint Ventures

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

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
(DIN: 01739231)

Ram Agarwal
Whole Time Director & CEO
(DIN: 01739245)

Date: 17.09.2024
Place: Navi Mumbai

ANNEXURE-B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Giving back to the society is embedded in the value system of Prostram and we believe and aim to bring about a positive change in the nation. For the past 1 decade, Prostarm has been at the forefront in conducting impactful camps and driving numerous workshops for different sections of the Society. As an integral part of our commitment to Good Corporate Citizenship, we at Prostarm Info Systems Limited, believe in actively assisting in improvement of the quality of life of people in our communities. We believe, we not only exist for doing good business but also, for ensuring the betterment of the society.

We actively contribute to ensure that the people living in local areas around our business operations lead a good quality life. Towards achieving long-term stakeholder value, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and the marginalized.

The CSR Policy ('the Policy') of the Company as approved by the Board is available on the Company's website. The Company's CSR is in alignment with the initiatives undertaken by it. The foundation set up by the Committee is empowering & developing young girls who are below poverty line and providing reproductive health education to the masses. Also, various skills are being provided for financial independence and imparting knowledge and training to the underprivileged.

For details of the CSR Policy along with projects and programs, kindly refer to the following weblink:

Composition of CSR Committee as on 31.03.2024:

Name of Members	Designation	Category	No. of Committee Meetings Held/ Attended
Mr. Tapan Ghose	Chairman	Chairman and Managing Director	2/2
Mr. Raghu Thammannashastri	Member	Whole-Time Director	2/1
Mr. Bhargav Chatterjee	Member	Non-executive, Independent Director	2/1

Web-link

Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are placed on the website of the Company whose we-link is www.prostarm.com.

Impact Assessment: Not Applicable

Details of the amount available for set off

There was no excess amount available from any previous financial years which could be set off during the year under review under the provisions of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Calculations of the CSR Obligation for the F.Y. 2023-24

Sr. No.	Particulars	Amount (In Rs.)
	Calculation of Net Profit under section 198 of Companies Act 2013	
	Net Profit for FY 2022-23	27,95,19,743
	Net Profit for FY 2021-22	16,43,22,035
	Net Profit for FY 2020-21	11,27,13,463
	Average Net Profit (Sum of profit available for CSR expenditure / 3	18,55,18,414
	CSR Expenditure	
a.	2% of Average Net Profit	37,10,368
b.	Surplus arising out of CSR project or programmes or activities of the previous financial years	Nil
c.	Amount required to be set off for the financial year, if any	39,000
d.	Total CSR obligation for the financial year (7a+ 7b-7c).	36,71,368

(A) CSR amount spent or unspent for the financial year

Particulars	Amount (In Rs.)
Total Amount Spent for the Financial Year	37,25,000
Total Amount (in Rs.) transferred to Unspent CSR Account as per section 135(6).	NIL
Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). Name of Fund: Amount: Date of Transfer:	NIL
Total unspent amount	NIL

(B) Details of CSR amount spent against ongoing projects for the financial year: NA

(C) Details of CSR amount spent against other than ongoing projects for the financial year:

1)	2)	3)	4)	5)		6)	7)	8)	
Sr. No.	**Name of the Project**	**Item from the list of Activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the Project**		**Amount spent for the project (in Rs.).**	**Mode of implementation - Direct (Yes/ No).**	**Mode of implementation - Through implementing Agency**	
				State.	District.			Name	CSR registration number.
1.	Protection – Desi Cows (Go-Savardhan/ Gograss)	Animal Welfare	No	Gujarat	Ahmedabad	37,25,000	No	Shri Godham Mahateerth Pathmeda Lok Punyarth Nyas	CSR00008806

(D) Amount spent in administrative overheads: NA

(E) Amount spent on Impact Assessment, if applicable: NA

(F) Total amount spent for the Financial Year (8b+8c+8d+8e)

(G) Excess amount for set off, if any

SI No.	**Particulars**	**Amount (In INR.)**
i.	Two percent of average net profit of the company as per section 135(5)	36,71,368
ii.	Total amount spent for the Financial Year	37,25,000
iii.	Excess amount spent for the financial year [(ii)-(i)]	53,632
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	53,632

9) (A) Details of Unspent CSR amount for the preceding three financial years: NIL

(B) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman of CSR Committee &
Managing Director
(DIN: 01739231)

Ram Agarwal
Whole Time Director & CEO

(DIN: 01739245)

Date: 17.09.2024
Place: Navi Mumbai

ANNEXURE C

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

A. **Details of contracts or arrangements or transactions not at arm's length basis: Nil**

B. **Details of material contracts or arrangements or transactions at arm's length basis: Nil**

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
(DIN: 01739231)

Ram Agarwal
Whole Time Director & CEO
(DIN: 01739245)

Date: 17.09.2024
Place: Navi Mumbai

ANNEXURE D

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

(Disclosure under Section 134 (3) (m) of the Companies Act, 2013 Read with Rule 8 (3) of Companies (Accounts) Rules, 2014)

A) CONSERVATION OF ENERGY

(i)	**The steps are taken or impact on the conservation of energy**	a) Retrofitting with LED lights in existing light fixtures done in a phased manner across all locations. All new purchases of lights are done of LED lights primarily. b) Installation of Variable speed drive (VSD) technology for HVAC, dust collectors, pumps various process machines etc. implemented across all sites. VSD incorporated in new purchases of energy related equipment at procurement stage only. c) Targeted zero leakage and implemented well-structured utility leakages management program across all locations. d) 30 KWA Solar panels at our factory in Pisoli and more shall be installed in ensuing period e) Per Unit Energy Cost Reduction Program: • Fuel switch over from High-Speed Diesel to Light Diesel Oil for steam generation having facilities of Furnace Oil and Agro-Based Bracket . • Maintaining unit power factor across all locations. This has helped reduce the power demand and improve life of electrical switchgears. f) Operationalized precise control of environmental condition of manufacturing area. g) Automation system: i. Interlocking of dust collectors with HVAC ii. Installed occupancy sensors for low man movement area iii. Installed proximity sensors for air curtains iv. Potable water pump operated from feedback and VSD

		v. Seasonal set point optimization of chillers vi. Auto water level sensors fixed to ETP, STP, drinking water RO plant & underground & overhead water tanks etc. vii. Ensured best possible automation to reduce electricity wastage. viii. Installed energy efficient air blower for aeration at ETP. h) Installed LED and or energy star monitors across all locations. i) Re-utilizing steam condensate to pre heat the feed water. Impact of above measures: (i) Reduction in energy consumption and cost. (ii) Reduction in carbon foot print. (iii) Reduction in per unit production cost. (iv) Availability of utilities for additional user points. (v) Increase in operational efficiencies.
(ii)	**The steps taken by the company for utilizing alternate sources of energy**	Company continued its steps to adopt green energy utilization as an alternate source of energy and took various initiatives in this regard. Installation of Solar roof top power plant is under planning to reduce CO2 emission.
(iii)	**The capital investment on energy conservation equipment**	Company has invested substantial amounts on energy conservation equipment across all units.

B) <u>TECHNOLOGY ABSORPTION:</u>

(i)	**the efforts made towards technology absorption**	The company has continued its efforts on technology up-gradation in the area of manufacturing of Energy Storage products. New technology is used for manufacturing of products.

(ii)	**the benefits derived like product improvement, cost reduction, product development or import substitution**	1. The quality Energy Storage products 2. Reduction in costs 3. Increase in exports
(iii)	**in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**	NIL
	(a) the details of technology imported	NIL
	(b) the year of import;	N.A
	(c) whether the technology been fully absorbed	N.A
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A
(iv)	**the expenditure incurred on Research and Development**	NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

On Standalone Basis

₹ in Lakhs

Particulars	**FY 2023-24**	**FY 2022-23**
Expenditure in foreign currency	5,583.51	1,828.95
Earnings in foreign currency	4.39	34.12

On Consolidated Basis

₹ in Lakhs

Particulars	**FY 2023-24**	**FY 2022-23**
Expenditure in foreign currency	5,608.33	1,866.67
Earnings in foreign currency	4.39	53.56

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
(DIN: 01739231)

Ram Agarwal
Whole Time Director & CEO
(DIN: 01739245)

Date: 17.09.2024
Place: Navi Mumbai

Report on Audit of Standalone Financial Statements : 2023-24

PROSTARM

Power Redefined



ProstarM Info Systems Limited

Navi Mumbai

Audited By

Mansaka Ravi & Associates

Chartered Accountants

Nerul, Navi Mumbai

+91 98297 53254

Mansaka Ravi & Associates
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To

The Members of
PROSTARM INFO SYSTEMS LIMITED,
NAVI MUMBAI (MH)

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **PROSTARM INFO SYSTEMS LIMITED** *("the Company")*, which comprise **the Balance Sheet as at March 31, 2024,** the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Chartered Accountants
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Key Audit Matter	Auditor's Response
Allowance for Credit Losses: The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses and actual bad debts.	**Principal Audit Procedure:** Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among other: □ Evaluated the accounting policy of the company. □ Inquired with Board of Directors regarding status of collectability of the receivables. □ Completeness and accuracy of information used in the estimation of probability of default □ Discussion of material outstanding balances with the Audit Committee. □ Assessed the information/assumptions used by the Management to determine the expected credit losses by considering credit risk of the customers, cash collection, and the level of credit loss over time. Based on our work as stated above, no significant deviations were observed in respect of management's assessment of valuation of trade receivables.
Inventories: Inventories (INR 5782.70 Lacs) constitute 36.72% of the current assets of the company as at 31st March 2024. The inventory is lying at various locations The inventory is valued at the lower of cost and net realizable value. We considered the value of the inventory of as a key audit matter given the relative size of the balance in the financial statements.	• Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations. • Sample testing of management physical verification report • We observe the physical verification process at locations of financial significance • Assess the appropriateness and completeness of the related disclosure in the company's Standalone Financial Statements. • We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory. • Assessing the appropriateness of Company's accounting policy for valuation of stock-in- trade

	and compliance of the policy with the requirements of the prevailing accounting standards. • We considered various factors including the actual selling price prevailing around and subsequent to the year-end. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value. For the purpose of determination of cost, the Company has considered the prevailing market situation. • Based on the above procedures performed, the management's determination of the net realizable value of the inventory as at the year end and comparison with cost for valuation of inventory is considered to be reasonable. Conclusion: Our procedures did not identify any material exceptions.

Information other than the Standalone Financial Statements and Auditors' Report thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position,

financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the audit of standalone financial statements

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

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

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

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

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.

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.

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

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the "**Annexure A**"a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

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, Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the 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 March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements Refer Note No. - 44.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

i) 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or Provide any guarantee, security or the like to or 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 persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ('Ultimate Beneficiaries') by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.

j) The Company has not declared or paid any dividend during the year and has not proposed final dividend during the year.

k) Based on our examination, the company, has used accounting software for maintaining its books of account for which has feature of capturing details of modifications but not enabled a feature of recording audit trail (edit log) facility and was in process of implementation thereof.



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As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

(CA Ravi Mansaka)
Partner
M. No. 410416

UDIN: 24410816BKCZMB5210
Place: Navi Mumbai
Date: 26th August, 2024

Mansaka Ravi & Associates
Chartered Accountants
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ANNEXURES REFERRED IN THE AUDITOR'S REPORT ON THE ACCOUNTS OF PROSTARM INFO SYSTEMS LIMITED FOR THE YEAR ENDING 31ST MARCH, 2024

Annexure A to the Auditor's Report

As required by the Companies (Auditor's report) Order, 2020 issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we report that:

i) In respect of Company's Property, Plant and Equipment, right-of-use assets, investment property and intangible assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and relevant details of right of use assets and investment property.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification to cover all the items of property, plant & equipment, right of use assets and investment property in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification has been carried on by the management during the year. Accordingly, we are unable to comment on whether any material discrepancies were noticed on such verification and whether they are properly dealt with in the standalone financial statements.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties including investment property of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date except the following:

Description of item of property	Relevant line item in the Balance sheet	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relatives of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
179A/1H, Maniktala Main Road, Kolkata, Kolkata, West Bengal, 700054	Property, Plant & Equipment	26.15	Pagdi System	No	31-Mar-2015	As per system prevailing in the State for maintenance of documents as "Bhada Salami"

In respect of immovable properties of land and building that have been taken on lease and disclosed as Right-of-Use assets in the standalone financial statements, the lease agreements are duly executed in favour of the lessee.

(d) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii) In respect of its inventories.

a) According to information and explanation given to us and on the basis of our examination of the records of the company, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. As per management explanation, no material discrepancies were noticed and discrepancies if any have been properly dealt with in the books of account;

b) According to information and explanations given to us and on the basis of our examination of the records of the company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly statements filed by the company with the banks against sanctioned working capital loan are materially in agreement with books of accounts except the following:

(₹ In Lakhs)

Name of Bank	Year	Quarter	Particulars	Amount as per Books of Account	Amount Reported in Stock Statement	Amounts of Difference	Reason for Discrepancies
Axis Bank, ICICI Bank	2023-24	1st	Inventory	6763.15	7623.44	-860.29	Reason as provided by management in Financials Note No. 50
			Trade Receivables	4861.86	4902.49	-40.63	
			Trade Payables	6870.36	6717.39	152.97	
Axis Bank, ICICI Bank, Bajaj Finance Limited	2023-24	2nd	Inventory	4731.92	5798.81	-1066.89	Reason as provided by management in Financials Note No. 50
			Trade Receivables	9113.27	9547.74	-434.47	
			Trade Payables	6775.50	6452.59	322.91	
Axis Bank, ICICI Bank,	2023-24	3rd	Inventory	6703.92	7598.67	-894.76	Reason as provided by management
			Trade Receivables	7316.33	7364.02	-47.69	

Bajaj Finance Limited			Trade Payables	7039.34	6454.89	584.45	in Financials Note No. 50
Axis Bank, ICICI Bank, Bajaj Finance Limited	2023-24	4th	Inventory	5782.70	6171.60	-388.91	Reason as provided by management in Financials Note No. 50
			Trade Receivables	9015.51	8979.32	36.19	
			Trade Payables	6286.58	6035.00	251.59	

iii) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any investments, provided guarantee or security or granted any advance in nature of loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any relevant provisions of the Act and the rules made there under, accordingly, clause (v) of the order is not applicable on the company.

vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records for the year with a view to determine whether they are accurate and complete.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues and no undisputed amounts payable in respect of, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess except Provident Fund.

There were no arrears of undisputed statutory dues as at 31st March, 2024 except some dues in Provident Fund amounting to Rs. 3.42 Lakhs which were outstanding for a period of more than six months from the date they became payable. According to the information and explanations given to us, out of total Rs. 3.42 Lakhs, liability of 2.43 Lakhs has arisen on account of contribution not accepted by the Fund on account of Aatmanirbhar Bharat Rojgar Yojana (ABRY) and 0.99 Lakhs is on account of AADHAR mismatch of employees. As per management explanation, the Company will reimburse the said 2.42 Lakhs amount to employees during the financial year 2024-25 and for remaining 0.99 Lakhs, AADHAR correction in process with employee and accordingly, will be deposited during the financial year 2024-25.

(b) According to the information and explanations given to us, there are no disputed dues of Income Tax or Sales Tax or Service Tax, or duty of customs or duty of excise or VAT or Goods and Service Tax, which have not been deposited on account of any dispute except the following.

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Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Sales Tax (Gujrat State)	As per Demand Notice	INR 0.80 Lakhs	FY 2015-16	Order passed by Authority	Bank Account lien marked by the Department for that sum. Documents are being submitted to authority for rectifications.

viii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, there were no such unrecorded transaction in the books of account which were surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961 (43 of 1961).

ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and other lenders and written representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) a) On the basis of overall examination of the Standalone Financial Statements of the Company, according to the information and explanations provided to us and based on our examination of the records of the company we report that monies raised by way of loans were applied for the purposes for which those were raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) In our opinion and according to the information and explanations given to us as well as based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under section 42 and section 62 of the Companies Act, 2013 and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi) a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

b) According to the information and explanations given to us and based on our examination of the records of the company, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us and based on our examination of the records of the company, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed u/s 133 of the Act.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has an internal audit system commensurate with the size and nature of its business and the reports of the Internal Auditors for the period under audit were considered by us.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him, hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company. Accordingly, reporting under clause 3(xv) of the order does not arise.

xvi) a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance Activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.

c) The Company is not a core investment company (CIC) as defined in the regulations made by the reserve Bank of India. Accordingly, clause 3(xvi)(c) of the order is not applicable.

d) According to information and explanations given to us during the course of audit, 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.

xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, 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 and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability

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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 Company as and when they fall due.

xx) a. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, there was no such unspent amount to be transferred to fund specified in Schedule VII to the Act. Accordingly, paragraphs 3(xx)(a) of the Order are not applicable.

b. The Company does not have ongoing projects under section 135 of the Companies Act. Accordingly, paragraphs 3(xx)(b) of the Order are not applicable.

xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 24410816BKCZMB5210
Place: Navi Mumbai
Date: 26th August, 2024

Mansaka Ravi & Associates
Chartered Accountants
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Annexure 'B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of the Prostarm Info Systems 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 **PROSTARM INFO SYSTEMS LIMITED** ('the Company') as of **31st March, 2024** 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 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.

Auditor's 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 the 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. 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 standalone 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of 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 standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2024**, 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.

Other Matter

Broadly, the Company is having most of the system in place as required for the compliance of Internal Financial Control on Financial Reporting. However, those systems or controls are having scope of further improvement. Also, Company has not documented adequately the internal financial controls based on Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Based on our audit procedures, we are of the opinion that Company has rectified all observations of our audit on internal financial controls over financial reporting to ensure that they do not significantly affect financial reporting on Internal Financial Control as on Balance Sheet date.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

UDIN: 24410816BKCZMB5210
Place: Navi Mumbai
Date: 26th August, 2024

(CA Ravi Mansaka)
Partner
M. No. 410816

PROSTARM INFO SYSTEMS LIMITED
Plot No.. EL 79, Electronic Zone, TTC, MIDC, Mahape, Navi Mumbai, Thane, Maharashtra, India, 400710
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CIN: U31900MH2008PLC368540

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5	533.30	274.25
(b) Capital Work-in-Progress	6	949.32	897.31
(c) Investment Property	7	278.71	265.42
(d) Intangible Assets	8	6.90	11.41
(e) Intangible Assets under Development		-	-
(f) Right-of-Use Assets	9	438.55	39.78
(g) Financial Assets			
(i) Trade Receivables	10	0.00	0.00
(ii) Investments	11	345.93	345.93
(iii) Loans		-	-
(iv)Other financial assets	12	1345.52	1418.13
(h) Deferred Tax Assets (Net)	41	72.80	61.71
(i) Other non-current assets	13	11.00	11.00
Total Non-Current Assets		**3982.04**	**3324.92**
Current Assets			
(a) Inventories	14	5782.70	3593.90
(b) Financial Assets			
(i) Investments	15	-	-
(ii) Trade receivables	16	8982.20	6704.77
(iii) Cash and cash equivalents	17	37.15	49.67
(iv) Bank balances other than (iii) above	18	21.33	8.66
(v) Loans	19	50.44	40.15
(vi) Others current financial assets	20	716.07	499.49
(c) Other Current Assets	21	466.45	417.85
Total Current Assets		**16056.34**	**11314.49**
Total Assets		**20038.38**	**14639.42**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	22	4287.46	4287.46
(b) Other Equity	23	4329.18	1934.12
Total Equity		**8616.64**	**6221.58**

Continued...

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	461.44	616.09
(ia) Lease Liabilities	31	-	5.72
(ii) Other financial liabilities	24A	2.00	0.00
(b) Provisions	25	118.78	94.01
(c) Other Non-Current Liabilities		-	-
Total Non-Current Liabilities		**582.22**	**715.82**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	3879.70	1802.53
(ia) Lease Liabilities	31	5.82	5.81
(ii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	27	300.71	136.49
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	27	5985.88	5242.51
(iii) Other Financial Liabilities	28	118.48	13.78
(b) Other Current Liabilities	29	242.26	309.35
(c) Provisions	25	57.81	41.92
(d) Current Tax Liabilities (Net)	30	248.88	149.64
Total Current Liabilities		**10839.53**	**7702.02**
Total Equity and Liabilities		**20038.38**	**14639.42**

The accompanying Notes 1 to 65 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410815
UDIN: 24410816BKCZMB5210

Place : Navi Mumbai
Dated : 26th August, 2024

For and on behalf of the Board of Directors of
Prostarm Info Systems Limited

(Tapan Ghose)	(Ram Agarwal)
Chairman & Managing Director	Whole Time Director & CEO
DIN:- 01739231	DIN:- 01739245

(Vikas Shyamsunder Agarwal)	(Abhishek Jain)	(Kiran Mukadam)
Whole Time Director	Chief Financial Officer	Company Secretary
DIN:- 01940252	PAN-ACJPJ8591L	M. No. A27627

PROSTARM

PROSTARM INFO SYSTEMS LIMITED

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CIN: U31900MH2008PLC368540

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Particulars		Notes	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
I.	Revenue from operations	32	25598.68	22923.49
II.	Other Income	33	136.20	197.81
III.	**Total Income (I +II)**		**25734.88**	**23121.30**
IV.	**Expenses:**			
	Cost of Material Consumed	34	9678.78	5807.99
	Purchase of Stock-in-Trade	35	10264.39	11451.78
	Changes in inventories of finished goods, work in progress and stock-in-trade	36	-1621.46	-439.28
	Employee benefit expenses	37	1673.57	1421.70
	Finance Costs	38	374.14	130.66
	Depreciation and amortization expenses	39	130.11	102.53
	Other Expenses	40	1998.41	1850.72
	Total Expenses		**22497.94**	**20326.10**
V.	**Profit before exceptional and extraordinary items and tax (III - IV)**		**3236.94**	**2795.20**
VI.	Exceptional Items		-	-
VII.	**Profit before extraordinary items and tax (V - VI)**		**3236.94**	**2795.20**
VIII.	Extraordinary Items		-	-
IX.	**Profit Before Taxes (VII-VIII)**		**3236.94**	**2795.20**
X.	**Tax expense:**			
	(1) Current tax	41	851.93	748.27
	(2) Tax of Earlier Years	41	-	3.78
	(3) Deferred tax	41	-10.83	-18.26
XI.	**Profit/(Loss) for the period (IX-X)**		**2395.84**	**2061.42**

Continued...

Particulars	Notes	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
XII. **Other Comprehensive Income**			
(i) Items that will not be reclassified to profit or loss			-
Fair value gain loss on Investments			-
Remeasurement gain/(loss) on defined benefit obligation	59	-1.04	8.31
(ii) Income tax relating to items that will not be reclassified to profit or loss	41	0.26	-2.09
(iii) Items that will be reclassified to profit or loss			-
(iv) Income tax relating to items that will be reclassified to profit or loss			-
Other Comprehensive Income (XII)		**-0.78**	**6.22**
XIII. **Total Comprehensive Income for the period (XI+XII)**		**2395.06**	**2067.64**
XIV. **Earning per equity share:**			
(1) Basic (In ₹)	43	5.59	4.81
(2) Diluted (In ₹)	43	5.59	4.81

The accompanying Notes 1 to 65 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 24410816BKCZMB5210

Place : Navi Mumbai
Dated : 26th August, 2024

For and on behalf of the Board of Directors of
Prostarm Info Systems Limited

(Tapan Ghose)	(Ram Agarwal)
Chairman & Managing Director	Whole Time Director & CEO
DIN:- 01739231	DIN:- 01739245

(Vikas Shyamsunder Agarwal)	(Abhishek Jain)	(Kiran Mukadam)
Whole Time Director	Chief Financial Officer	Company Secretary
DIN:- 01948262	PAN-ACJPJ8591L	M. No. A27627

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STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

	Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
A	**Cash Flow From Operating Activities**		
	Net Profit / (Loss) Before Tax	**3236.94**	**2795.20**
	Adjustments For :		
	Depreciation and Amortization Expense	130.11	102.53
	Interest Expenses	325.26	107.50
	Interest on Leased Liabilities	0.87	1.08
	Profit on Sale of Investments	-	-4.34
	Provision for Warranty	44.13	42.77
	Profit on sale of Property,plant & equipment (PPE)	-2.00	-
	Remeasurment of defined benefit plan	23.64	21.47
	Operating Profit Before Working Capital Changes	**3758.95**	**3066.21**
	Adjustments For :		
	Decrease/(Increase) in other financial assets	-143.97	-847.13
	Decrease/(Increase) in other assets	-48.61	87.68
	Decrease/(Increase) in Loans	-10.29	-13.44
	Decrease/(Increase) in Inventories	-2188.80	-692.35
	Decrease/(Increase) in trade recevables	-2277.43	-3227.57
	Decrease/(Increase) in other bank balance	-12.67	-8.66
	(Decrease)/Increase in Trade payables	907.58	835.25
	(Decrease)/Increase in other financial liabilities	106.70	-126.58
	(Decrease)/Increase in other liabilities	-67.09	199.74
	Retirement Benefits Paid (Out of Provisions)	-	-2.13
	Lease Rental Payments	-6.58	-7.20
	Warranty Expenses Actually Paid	-29.16	-
	Increase/Decrease in Provisions	1.00	1.00
	Cash Generated From Operations	**-10.36**	**-735.19**
	Less: Direct Taxes Paid net of refund (including TDS)	752.68	602.41
	Net Cash flow From Operating Activities	**-763.05**	**-1337.59**
B	**Cash Flow From Investing Activities**		
	Addition in Property, Plant & Equipment (PPE)	-369.15	-185.37
	Addition to CWIP	-52.01	-897.31
	Addition to ROU Assets	-408.40	-
	Addition in Intangible Assets	-0.74	-15.57
	Addition / Deletion in Investment Properties	-19.18	-28.78
	Purchase of Investments	-	-554.97
	Proceeds from Sale of Investments	-	876.29
	Proceeds from Sale of PPE	2.75	
	Net Cash (Used) In/From Investing Activities	**-846.73**	**-805.70**
C	**Cash Flow From Financing Activities**		
	(Decrease)/Increase in Non-Current Borrowings	-154.65	405.48
	(Decrease)/Increase in Current Borrowings	2077.17	1709.84
	Interest paid on Borrowings	-325.26	-107.50
	Net Cash (Used) In/From Financing Activities	**1597.26**	**2007.82**

Particulars		For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
D	Net Change in Cash & Cash Equivalents(A+B+C)	-12.52	-135.48
E	Cash & Cash Equivalents at beginning of the year	49.67	185.15
F	Cash & Cash Equivalents at end of the year	37.15	49.67

Components of Cash & Cash Equivalents	As at 31st March, 2024	As at 31st March, 2023
Cash on Hand	6.63	16.74
In Term Deposits with maturity less than 3 months at inception	0.92	0.00
Balance with Banks in Current Accounts	29.60	32.94
Cheques, Drafts on Hand		-

Reconciliation of Liabilities arising from Financing Activities - For period April 23- Mar 24

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	811.41	-181.92	0.42	629.90
Short-term Borrowings Secured	1607.21	2093.81	10.21	3711.23
Short-term Borrowings Unsecured	1.37	0.05	-	1.42
Total financial liabilities	**2419.99**	**1911.94**	**10.64**	**4342.56**

Reconciliation of Liabilities arising from Financing Activities - For period April 22- March 23

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	303.30	507.44	0.67	811.41
Short-term Borrowings Secured	-	1607.21	-	1607.21
Short-term Borrowings Unsecured	1.77	-0.40	-	1.37
Total financial liabilities	**305.86**	**2114.26**	**0.67**	**2419.99**

Note:1 The Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".
Note-2: Previous Year's figures have been recasted/regrouped, wherever necessary, to conform to the current year's figures.

The accompanying Notes 1 to 65 form an integral part of the Financial Statements.
As per our separate report of even date attached

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 24410816BKCZAB5218

(Tapan Ghose)
Chairman & Managing Director
DIN:- 01739231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Vikas Shyamsunder Agarwal)
Whole Time Director
DIN:- 01940262

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ8591L

(Kiran Mukadam)
Company Secretary
M. No. A27627

Place : Navi Mumbai
Dated : 26th August, 2024

PROSTARM INFO SYSTEMS LIMITED
Plot No.. EL 79, Electronic Zone, TTC, MIDC, Mahape, Navi Mumbai, Thane, Maharashtra, India, 400710
Email: sales@Prostarm.com, Website: www.Prostarm.com, Tel: +91 22 49856522/26
CIN: U31900MH2008PLC369540

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

A. Equity Share Capital (₹ in Lakhs)

(1) Current reporting period as at 31st March, 2024

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
4287.46	-	4287.46		4287.46

(2) Previous reporting period as at 31st March 2023

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting perio
908.36	-	908.36	3379.10	4287.46

B Other Equity (₹ in Lakhs)

(1) Current reporting period as at 31st March, 2024

Particulars	Reserves & Surpluses		Other Comprehensive	Total
	Security Premium	Retained Earnings		
Balance at the beginning of the current reporting period	-	1905.46	28.65	0.00
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	1905.46	28.65	1934.12
Total Comprehensive Income for the year		2395.84	-0.78	2395.06
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Capitalisation by Issue of Bonus Shares	-	-	-	-
Balance at the end of the current reporting period	-	4301.30	27.87	4329.18

(2) Previous reporting period as at 31st March 2023

Particulars	Reserves & Surpluses		Other Comprehensive Income	Total
	Security Premium	Retained Earnings		
Balance at the beginning of the current reporting period	-	3223.14	22.43	3245.58
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	3223.14	22.43	3245.58
Total Comprehensive Income for the year	-	2061.42	6.22	2067.64
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Capitalisation by Issue of Bonus Shares	-	-3379.10	-	-3379.18
Balance at the end of the current reporting period	-	1905.46	28.65	1934.12

The accompanying Notes 1 to 65 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Manseka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Manseka)
Partner
M. No. 410816
UDIN: 24410816BKCZA65210

Place : Navi Mumbai
Dated : 26th August, 2024

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

(Tapan Ghose)
Chairman & Managing Director
DIN:- 01739231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Vikas Shyamsunder Agarwal)
Whole Time Director
DIN:- 01948252

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ8597L

(Kiran Mukadam)
Company Secretary
M. No. A27627

1. COMPANY OVERVIEW

PROSTARM INFO SYSTEMS LIMITED, ("the Company"), conceptualized and promoted by a group of entrepreneurs having varied experience in the field of Power Electronics, got incorporated on 11th January 2008 with the primary objective to provide power back up and power conditioning solutions to critical loads like ATMs, Banks, Financial Services & Insurance institutions, Corporates, Academic Institutes, Hospitals/ Diagnostic centres, Railways, Engineering, Oil & Gas, Power, Airport, Defense and other companies in PSU and private sector.

Prostarm Info Systems Limited, over the span of 1.6 decades, have graduated into a multifaceted entity specializing in providing total solutions & services related to Power back-up and Power Conditioning products. The company currently deals in Uninterrupted Power Supply (UPS) Systems, Solar PV Power Plants, Batteries, lithium-ion battery packs, Servo Controlled Voltage Stabilizers, Solar Hybrid Inverter & other related power conditioning equipment. The Company expanded its manufacturing capabilities in Mumbai and Pune, including the manufacturing facility of its subsidiary during financial year 2022-23. In Mumbai, the State of Art Plant & Machineries installed for multi folding the production capacity of lithium-ion battery packs.

The company has its registered office located at Plot No. EL 79, Electronic Zone, TTC, MIDC, Mahape, Navi Mumbai, Thane, Maharashtra, India, 400710.

The standalone financial statements for the year ended March 31, 2024 were authorized and approved for issue by the Board of Directors on 26th August, 2024.

2. BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

a. Basis of Preparation of Financial Statements

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

a) Certain Financial Assets and Liabilities (including derivative instruments), if any,
b) Defined Benefit Plans – Plan Assets, if any and
c) Equity settled Share Based Payments, if any

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

b. Basis of Measurement

The Standalone Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

c. Current v/s Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within one year.

d. Functional and Presentation Currency

These Standalone Financial Statements are prepared in Indian Rupee ("₹") which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals, except when otherwise indicated.

3. MATERIAL ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Standalone Financial Statement.

a) Property, Plant and Equipment (PPE)

(i) Definition

Property, plant and equipment are tangible items that:

(A) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and

(B) are expected to be used during more than one period.

(ii) Recognition & Initial Measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

(iii) Subsequent Measurement (depreciation and useful lives)

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013.

Depreciation on PPE sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such PPE are sold, discarded or demolished.

Leasehold land & building and improvements are amortized on the basis of duration and other terms of lease.

When parts of an item of Property, Plant and Equipment have different useful life, they are accounted for as separate items (Major components) and are depreciated over the useful life respectively.

Right-of-use Assets (Land & Building under operating Lease) is amortised on a straight-line basis over the period of respective lease term.

The residual values, useful lives and methods of depreciation of PPE are reviewed at the end of each financial year considering the physical condition of the PPE and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as Inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalised. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

(iv) De-recognition

PPE are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

b) Capital Work-in-Progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

c) Intangible Assets

(i) Recognition and initial measurement

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

(ii) Subsequent Measurement & Amortization

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are

amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

(iii) De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

d) Investment Properties

(i) Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

(ii) Subsequent Measurement & Amortization

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any, subsequently. Depreciation is provided from the date the assets are put to use, on written down value method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013

Depreciation on Investment Properties sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Investment Properties are sold, discarded or demolished.

Leasehold land & Building and improvements are amortised on the basis of duration and other terms of lease.

The residual values, useful lives and methods of depreciation of Investment Properties are reviewed at the end of each financial year considering the physical condition of the Investment Properties and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

(iii) De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

e) Revenue Recognition

(i) Revenue from contract with customer is recognised, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services.

(ii) Company generally follows mercantile system of accounting and recognizes significant items of incomes on accrual basis. The revenues have been duly recognized in accordance with the provisions of Indian Accounting Standard – 115 However, some of expenditures are accounted for on the receipt of bill or invoice of the same which are not material.

(iii) Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing service tax, Goods & Service Tax (GST) and other applicable indirect taxes.

(iv) Service tax / Goods & Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the services by the service provider on behalf of the Government. Accordingly, it is excluded from revenue.

(v) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration.

(vi) Unbilled income represents the value of services rendered but not yet been invoiced on the reporting date due to contractual terms.

f) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Interest is accounted on accrual basis on overdue receivables.

g) Dividend Income

Dividend income is recognized when the right to receive dividend is established.

h) Leases

On March 30, 2019, ministry of corporate affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a

contract i.e., the lessee and lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is using the 'Modified Retrospective Approach' for transitioning to Ind AS 116 and took the cumulative adjustment to retained earnings on the date of initial application (April 1, 2019). The Company as elected certain available practical expedients on transition.

The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

(i) Company as a lessee

The Company's lease asset classes primarily consist of leases for land and building. The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contract existing and entered into on or after April 1, 2019. The Company has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

The Company recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. In the comparative period, lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss over the lease term.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8% p.a.

(ii) Company as a lessor

Assets given under operating leases are included in investment properties. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and need to be measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight-line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

i) Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, cash in hand and short-term deposits, as defined above.

j) Taxation

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered

Deferred tax assets and liabilities are measured at tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Sales Tax/ GST / VAT

Sales/ value added taxes paid on acquisition of assets or on incurring expenses are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

k) Inventories

Finished Goods-

Finished goods are valued at lower of cost or net realisable value. Cost includes direct materials and labour and a portion of manufacturing overhead based on normal operating capacity.Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Finished Goods are measured at First In First Out basis.

Raw Materials, WIP and Stores & Spares-

Raw materials, components, stores and spares and work-in progress are valued at cost. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components, stores and spares is determined on FIFO basis. Cost of Work in Progress is measured at First In First Out Basis.

Capital spares that qualifies the criteria of property, plant and equipment are recognised as PPE. Accordingly, the company has capitalized spares having useful life of more than 12 months and corresponding depreciation is charged on them."

Stock-in-Trade

Inventories being stock-in-trade are valued at the lower of cost and net realisable value.

Cost of these inventories are determined on First in First Out basis.

I) Employee Benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(ii) Post-employment benefits –

(a) Defined benefit plans – Gratuity

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and number of years of employment with Company. Presently the Company's gratuity plan is unfunded.

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 if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

(b) **Defined Contribution Plans – Provident Fund and Employee State Insurance**

Provident Fund, Pension Fund & Employee State Insurance (ESI) are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust, Regional Provident Fund Commissioner and Employee State Insurance Fund respectively are charged to the Statement of Profit and Loss.

(iii) **Long-term Employee Benefits:-**

Long-term employee benefits Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the obligation as at the Balance Sheet date. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

m) **Earning Per Share**

i) Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

ii) Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

n) **Provisions and Contingencies**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Provision for Warranty: The Company makes provision for the probable future liability on account of the warranty based on the estimation of the warranty claims/expenses that the Company expects to materialize in the future. The Company assesses the need and quantum of provision for warranty based on conditions prevailing at each year-end

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from

litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

p) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

q) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

r) Impairment of Non-Financial Assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life.

s) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

t) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement

Subsequent measurement of financial assets is described below -

a. Financial Assets (Debt Instruments) at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is

calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

b. Debt Instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The xtransferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset.

Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

In other words, trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.
- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination

(B) Financial liabilities

(i) Initial Recognition & Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans & borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through statement of profit and loss

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for

trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

(ii) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Buyers Credit

The Company enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up to twelve months (for raw materials) and up to 36 months (for project materials). Where these arrangements are for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit (under Trade and other payables) Where these arrangements are for project materials with a maturity up to 36 months, the economic substance of the transaction is determined to be financing in nature, and these are classified as projects buyers' credit within borrowings in the statement of financial position.

(iv) Financial liabilities – De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are

substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. For more information on financial instruments Refer Note No. 59.

u) Investment in Subsidiaries, joint ventures and associates:

Subsidiary: A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.

Associate. Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.

Joint arrangement: A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

v) Foreign currency transactions

(I) Initial Recognition

In the Standalone financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

(II) Conversion

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

(III) Exchange Differences

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income

w) Dividend Distribution

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

x) Prior Period Items

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

y) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone financial statements are elaborated in Note No. 4.

4A. CRITICAL ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting year end. Although these estimates and associated assumptions are based upon historical experiences and various other factors besides management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on a periodic basis. Any revision in the accounting estimates is recognised in the period in which the results are known/ materialise.

Significant judgments and key sources of estimation in applying accounting policies are as follows:

a) Property, plant and equipment and useful life of property, plant and equipment and intangible assets

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

b) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 44).

c) Employee benefit expenses

Actuarial valuation for gratuity liability of the Company has been done by an independent actuarial valuer on the basis of data provided by the Company and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

d) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has determined that it can recognise deferred tax assets on the tax losses carried forward as it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Further details on taxes are disclosed in Note No. 41.

e) Impairment of accounts receivable and advances

Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses.

f) Discounting of Security deposit, retention money and other long-term liabilities

For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Standalone financial statements.

g) Amortized Cost for Employee Loans

Employee loans have not been recorded using Effective Interest Rate method due to absence of any material impact on Standalone financial statements and involvement of practical difficulties.

h) Investment in Equity Instruments

Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date

i) Restatement of Prior Period Items

Material prior period items, i.e. items having a value of above Rs. 5.00 Lac have been restated in the previous year financials.

4B. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

In terms of our attached report of even date

For Mansaka Ravi & Associates
Chartered Accountants
Firm Reg. No.: 015023C

(CA Ravi Mansaka)
Partner
Membership No. 410816

UDIN: 24410816BKCZM85210

Place: Navi Mumbai
Date: 26th August, 2024

For and on behalf of the Board of Directors of
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
DIN:01719231

Vikas Agarwal
Whole Time Director
DIN: 01948262

Ram Agarwal
CEO & Whole Time Director
DIN:01739245

Abhishek Jain
Chief Financial Officer
PAN -ACJPJ8591L

Kiran Mukadam
Company Secretary
M. No. A27627

PROSTARM

PROSTARM INFO SYSTEMS LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

5 PROPERTY, PLANT & EQUIPMENT

Refer note 3(e) for accounting policy on Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2023	Additions	Disposals	Closing as on 31st Mar, 2024	Opening as on 1st April, 2023	Additions	Disposals	Closing as on 31st Mar, 2024	As on 31st Mar, 2024	As on 31st Mar, 2023
Building - Freehold	26.15	-	-	26.15	8.01	3.85	-	6.47	24.68	21.54
Plant & Equipments	73.61	255.28	-	365.89	9.01	28.59	-	37.59	328.22	64.51
Computers	114.66	6.37	-	129.03	53.51	20.82	-	104.73	36.19	30.74
Motor Cars	299.77	26.25	15.03	317.18	164.95	47.80	14.27	198.48	146.69	134.81
Furniture & Fixtures	25.65	14.46	-	58.30	9.51	6.31	-	15.82	64.47	14.12
Office Equipments	36.48	3.84	-	37.39	12.07	5.97	-	18.04	19.35	12.33
Total	562.32	369.15	15.03	916.44	266.06	109.34	14.27	383.13	633.30	274.25

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	As on 31st Mar, 2023	As on 31st Mar, 2022
Building - Freehold	26.15	-	-	26.15	7.51	0.50	-	8.01	18.14	18.65
Plant & Equipments	12.32	61.29	-	73.61	1.24	7.76	-	9.01	64.61	10.98
Computers	98.66	16.00	-	114.66	54.68	29.04	-	83.73	30.74	43.78
Motor Cars	216.82	82.95	-	299.77	121.04	43.92	-	164.96	134.81	95.78
Furniture & Fixtures	10.35	12.86	-	23.21	6.13	3.38	-	9.51	14.12	4.22
Office Equipments	12.15	12.25	-	24.40	5.48	6.64	-	12.07	12.33	6.72
Total	376.45	185.37	-	562.32	195.43	91.64	-	286.06	274.25	184.82

6 CAPITAL WORK-IN-PROGRESS [CWIP]

(₹ in Lakhs)

Refer Note 3(b) for accounting policy on Capital Work-in-Progress

(a) Tangible Assets Under Development

Particulars	Land	Building	Total
Balance as at 31st March, 2022	-	-	-
Additions during the Year	406.20	491.11	897.31
Capitalised During the Year	-	-	-
Balance as at 31st March, 2023	406.20	491.11	897.31
Additions during the Year	2.20	458.21	460.41
Capitalised During the Year	408.40	-	408.40
Balance as at 31st March, 2024	-	949.32	949.32

(b) **Capital Work-In-Progress Ageing (Project-in-Progress)**

Balance as at 31st March, 2024

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	458.21	491.11	-	-	949.32
Projects Temporarily Suspended	-	-	-	-	-

Balance as at 31st March, 2023

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	897.31		-	-	897.31
Projects Temporarily Suspended	-	-	-	-	-

(c) There are no CWIP assets which become overdue compared to their original plans or where cost is exceeded compared to original plans, therefore, disclosure relating thereto is not required.

7 INVESTMENT PROPERTY

(₹ in Lakhs)

A. Completed Investment Properties

Refer Note 3(d) for accounting policy on Investment Properties.

Particulars	Land Leasehold	Buildings	Total
Gross Block			
Balance as at 31st March, 2022	-	285.33	285.33
Additions		-	-
Disposals	-	-	-
Balance as at 31st March, 2023	-	285.33	285.33
Additions		-	-
Disposals	-	-	-
Balance as at 31st March, 2024	-	285.33	285.33
Accumulated Depreciation			
Balance as at 31st March, 2022	-	156.95	156.95
Additions	-	6.19	6.19
Disposals	-		-
Balance as at 31st March, 2023	-	163.14	163.14
Additions		5.89	5.89
Disposals	-	-	-
Balance as at 31st March, 2024	-	169.03	169.03
Net Block			
Balance as at 31st March, 2023	-	122.19	122.19
Balance as at 31st March, 2024	-	116.30	116.30

B. Under Development Investment Properties

Particulars	Land Freehold	Buildings	Total
Balance as at 31st March, 2022	-	114.45	114.45
Additions during the Year	-	28.78	28.78
Capitalised During the Year	-	-	-
Balance as at 31st March, 2023	-	143.23	143.23
Additions		19.18	19.18
Disposals	-	-	-
Balance as at 31st March, 2024	-	162.41	162.41

C. Total Investment Properties (A+B)

Balance as at 31st March, 2023	-	265.42	265.42
Balance as at 31st March, 2024		278.71	278.71

7.1 Ageing Schedule Investment Properties Under Development as at 31st March, 2024

Investment Properties Under Development	Amount for a period of			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Flat No. 3307, Parkwood, Thane	9.59	14.39	57.22	-
Flat No. 3308, Parkwood, Thane	9.59	14.39	57.22	-
Total	**19.18**	**28.78**	**114.45**	-

Ageing Schedule Investment Properties Under Development as at 31st March 2023

Investment Properties Under Development	Amount for a period of			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Flat No. 3307, Parkwood, Thane	14.39	57.22	-	-
Flat No. 3308, Parkwood, Thane	14.39	57.22	-	-
Total	**28.78**	**114.45**	-	-

7.2 Amount recognised in Statement of Profit or Loss for Investment Properties

Particulars	As at 31st March, 2024	As at 31st March, 2023
Rental income derived from investment Properties	7.95	6.60
Less: Direct Operating Expenses (including repairs & maintenance) generating rental income	2.03	0.26
Less: Direct Operating Expenses (including repairs & maintenance) that did not generate rental income	0.20	0.19
Before Depreciation	5.72	6.14
Less: Depreciation for the Year	5.89	6.19
Profit/(Loss) arising from investment Properties	-0.17	-0.05

7.3 Leasing Arrangements

Minimum lease payments receivable under non-cancellable operating lease of investments properties are as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Not Later than one Year	5.42	-
Later than one year and not later than five years	16.77	-
Later than five years	-	-
Lease income recognised during the year in profit and loss	7.95	6.60

7.4 **Fair Values**

The Company has not got revalued its investment properties and they are carried at amortized value in the financial statements. The Company has no restrictions on the realisability of its investment properties.

7.5 **There are no contractual obligations to purchase, construct or develop investment property except below:**

Particulars	As at 31st March, 2024	As at 31st March, 2023
In respect of Purchase of Property (Flat No. 3307 & 3308, Parkwood, Thane):		
Not Later than one Year	57.59	76.77
Later than one year and not later than five years	-	-
Later than five years	-	-

7.6 **No contingent rent recognised / (adjusted) in the Profit or Loss in respect of operating lease.**

8 INTANGIBLE ASSETS

(₹ In Lakhs)

Refer Note 3(c) for accounting policy on Intangible Assets

Particulars	Softwares	Trademark	Total
Gross Carrying Value			
Balance as at 31st March, 2022	-	0.19	0.19
Additions	15.57	-	15.57
Disposals	-	-	-
Balance as at 31st March, 2023	15.57	0.19	15.75
Additions	0.74	-	0.74
Disposals	-	-	-
Balance as at 31st March, 2024	16.31	0.19	16.50
Accumulated Depreciation & Amortization			
Balance as at 31st March, 2022	-	0.05	0.05
Additions	4.26	0.03	4.29
Disposals	-	-	-
Balance as at 31st March, 2023	4.26	0.08	4.34
Additions	5.23	0.02	5.26
Disposals	-	-	-
Balance as at 31st March, 2024	9.50	0.10	9.60
Net Carrying Value			
Balance as at 31st March, 2023	11.30	0.11	11.41
Balance as at 31st March, 2024	6.81	0.09	6.90

9 RIGHT-OF-USE-ASSETS

(₹ in Lakhs)

Refer Note 3(f) for accounting policy on Right-of-Use Assets

Particulars	Amount
Gross Values	
Balance as at 31st March, 2022	41.17
Additions	-
Disposals	-
Balance as at 31st March, 2023	41.17
Additions	408.40
Disposals	-
Balance as at 31st March, 2024	449.57
Accumulated Amortization	
Balance as at 31st March, 2022	0.98
Additions	0.42
Disposals	-
Balance as at 31st March, 2023	1.40
Additions	9.62
Disposals	-
Balance as at 31st March, 2024	11.02
Net Book Values	
Balance as at 31st March, 2023	39.78
Balance as at 31st March, 2024	438.55

Note: ROU Assets as above consists the plot of land and land part of building.

10 NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured, considered good		
Unsecured, considered good	-	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit Impaired	-	-
Allowance for Expected Credit Loss	-	-
Total	-	-

11 NON-CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments carried at Cost		
Unquoted Investments		
(a) Investment in Equity Instruments		
Prostarm Energy Systems Private Limited (Subsidiary Company)		
34,57,800 Equity Shares of Rs. 10/- each fully paid up	345.78	345.78
(Previous Year : 34,57,800 Equity Shares of Rs 10/- each fully paid up)		
(b) Investment in Mutual Funds	-	-
(c) Other Non-Current Investments		
Investment in Silver Coins	0.15	0.15
Total	**345.93**	**345.93**

Aggregate Values :	As at 31st March, 2024	As at 31st March, 2023
1. Aggregate amount of quoted investments		-
2. Aggregate amount of market value of quoted investments		-
3. Aggregate amount of unquoted investments	345.93	345.93
4. Aggregate amount of impairment in value of investments		-

Classification of Investments		
Unquoted Investments [Level - 3]	345.78	345.78
Unquoted Investments [Level - 1]	0.15	0.15

Information about Subsidiaries & Associates

Name of the Company & Country of Incorporation	Principal Activities	Date of Acquisition
Prostarm Energy Systems Private Limited, India	Manufacturing of Customized Power Electronic Solutions	17th July, 2021

Initially in the Year 2021-22, M/s Prostarm Energy Systems Private Limited was incorporated as wholly owned subsidiary of the Company. However, later on in the same financial year, partial stake of Company has been diluted in right issue wherein Mr Radhakrishnan Nair has become shareholder of 49% and Company become shareholder of 51% shares of the subsidiary.

12 OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Security Deposits	14.13	1.44
Retention Money Receivable	389.06	313.63
Bank deposits with more than 12 Months Maturity[1]	942.33	1103.06
Total	**1345.52**	**1418.13**

Note:1 Earmarked balances with banks primarily consists of margin money against loans and margin money against performance guarantees obtained by the company

13 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Advances against Purchase of Capital Assets	11.00	11.00
Total	**11.00**	**11.00**

14 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Inventories of Stock-In-Trade [1,2,3]		
Stock-In-Trade	4573.92	3276.74
Stock-In-Transit	-	1.49
Spares & Parts	239.78	2.89
Raw Material[2,3]	830.53	263.14
Work in Progress[2,3]	5.01	5.36
Finished Goods[2,3]	133.46	44.73
Total Closing Stock	**5782.70**	**3593.90**

Note: 1. Inventory of Stock-In-Trade includes Batteries, UPS and Inverters as a major component of total Inventory.
Note: 2. Entire inventory of the Parent Company has been hypothecated as security against certain bank borrowings of the Parent as at 31st March, 2024 and 31st March, 2023. For more details of lien/charge against inventories refer Note No. 24 & 26.
Note 3 These inventories are valued at lower of cost or net reliasable value.

15 CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments carried at Cost		
Unquoted Investments		
(a) Investment in Shares	-	-
(b) Investment in Mutual Funds	-	-
Total	-	-

16 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured, considered good	-	-
Unsecured, considered good	9026.12	6714.34
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit Impaired	-	-
Allowance for Expected Credit Loss	-43.92	-9.57
Total[1,2,3,4]	8982.20	6704.77

Notes: 1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 45.
2. For lien/charge against trade receivables refer Note No. 24 & 26.
3. No current trade receivables are due from directors or other officers of the Company either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except as reported in Note No. 42.
4. For Ageing of Current Trade Receivables, refer Note No. 48.1 & 48.2

17 CASH & CASH EQUIVALENTS[1]

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance with Banks		
In Current Accounts[2]	29.60	32.94
In Term Deposits with maturity less than 3 months at inception[3]	0.92	-
Cheques, Drafts on Hand	-	-
Cash on Hand	6.63	16.74
Total	37.15	49.67

Note:1 There are no restriction with regard to cash and cash equivalents as at the end of reporting period and prior periods.
Note:2 Balance in current accounts at the end of the year are subject to reconciliation.
Note:3 Earmarked balances with banks primarily consists of margin money against loans and margin money against performance guarantees obtained by the company.

18 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good:		
Deposits with Banks		
Earmarked balances with banks[1]		
In Term Deposits with maturity more than 3 months but less than 12 months at inception	21.33	8.66
Total	21.33	8.66

Note:1 Earmarked balances with banks primarily consists of margin money against loans and margin money against performance guarantees obtained by the company.

19 CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Loans and advances to Employees	49.77	35.81
Loans and advances to Related Parties	0.67	4.35
Total	**50.44**	**40.15**

Note: There are certain amount due from directors, their relatives or other officers of the Company either severally or jointly with any other person and however, no amount is due from firms or private companies respectively in which any director is a partner, a director or a member except as reported in Note No. 42.

20 CURRENT FINANCIAL ASSETS - OTHER

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
In Term Deposits with remaining maturing less than 12 Months	463.64	97.03
Receivable against GEDA Subsidy	32.16	24.55
Retention Money Receivable	50.93	130.25
Security Deposits	168.75	247.32
Other Advances	0.59	0.33
Total	**716.07**	**499.49**

21 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advances other than Capital Advances		
Advance to Vendors	125.06	68.96
Others		
Prepaid Expenses	29.78	13.53
Balances with Revenue Authorities	262.56	288.56
Share Issue Expenditures[1]	46.80	45.00
Rent Receivable	2.25	1.80
Total	**466.45**	**417.85**

Note:1> The Company is in the process of filing Draft Red Herring Prospectus with SEBI in connection with the proposed Initial Public Offer('IPO') of equity shares of the Company by way of fresh issue. Accordingly, expenses incurred by the Company aggregating to Rs. 46.80 Lakhs (PY Rs. 45 Lakhs) in connection with filing of Draft Red Herring Prospectus have been shown under "other current assets" as it shall be adjusted towards the securities premium.

22 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
AUTHORISED		
6,10,00,000 Equity Shares of Rs. 10 each	6100.00	5500.00
(Previous Year 5,50,00,000 Equity Shares of Rs. 10/- each)		
ISSUED, SUBSCRIBED & PAID-UP		
4,28,74,592 Equity Shares of Rs. 10 each fully paid up	4287.46	4287.46
(Previous Year 4,28,74,592 Equity Shares of Rs. 10/- each)		
Total	**4287.46**	**4287.46**

22.1 The details of shareholders holding more than 5% of the shares are as follows:

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Nos.	%	Nos.	%
Mr. Ram Agarwal[1]	12,862,378	30.00%	12,962,378	30.00%
Mrs. Parvati Shyamsunder Agarwal	5,708,462	13.31%	5,708,462	13.31%
Mr. Vikas Agarwal	14,147,029	33.00%	14,147,029	33.00%
Mrs. Sonu Ram Agarwal[1]	8,574,938	20.00%	8,574,938	20.00%

Note:1-Mr Ram Agarwal and Ms. Sonu Agarwal, holds 1 fully paid-up equity shares of Rs. 10 each as a trustee for the benefit of theirself and certain other shareholders of the Company, being the share alloted against fractional entitlement pursuant to Bonus Shares issued vide Board Resolution dated 11th March, 2023.

22.2 Shareholding of Promoters

Name of Promoter[1]	As at 31st March, 2024		% Change During the Year
	Nos.	%	
Mr. Ram Agarwal	12,862,378	30.00%	Nil
Mrs. Sonu Ram Agarwal	8,574,938	20.00%	Nil
Mr. Vikas Agarwal	14,147,029	33.00%	Nil
Total	**35,584,345**	**83.00%**	

Name of Promoter[1]	As at 31st March, 2023		% Change During the Year
	Nos.	%	
Mr. Ram Agarwal	12,862,378	30.00%	Nil
Mrs. Sonu Ram Agarwal	8,574,938	20.00%	Nil
Total	**21,437,316**	**50.00%**	

Note : Pursuant to board meeting held on 28th Sept, 2020, the Company has revised the list of promoters resulting into decrease in number of promoters from 7 to 2. Further, pursuant to board meeting held on 18.07.2023, the Company has revised the list of promoters again resulting into increase in number of promoters from 2 to 3.

22.3 Rights, preference and restrictions attached to Equity Shares

(i) The company has one class of equity shares having a par value of Rs. 10 per share. All equity shares, in present and in future, rank *pari passu* with the existing equity shares of the company and each shareholder is entitled to

(ii) The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

(iii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) The company did not have outstanding calls unpaid by the directors and officers of the Company (Previous Year NIL) and also did not have any amount of forfeited shares (Previous Year NIL).

(v) The Company has not allotted any fully paid up equity shares without payment being received in cash except bonus shares and nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

(vi) During the period of last five years, the Company has issued following Bonus Shares to its Shareholders by capitalisation of reserves:

No. of Shares Issued in Bonus	Ratio	Amount (in Lakhs)	Date of Allotment
6812700	3:01	681.27	29/08/2020
33790992	372:100	3379.10	11/03/2023

22.4 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2024	As at 31st March, 2023
Equity Shares at the begining of the Year	42,874,592	9,083,600
Add: Issued Bonus Shares during the year	-	33,790,992
Less: Shares Cancelled on back during the year	-	-
Equity Shares at the end of the Year	**42,874,592**	**42,874,592**

23 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained Earnings		
As per Last Balance Sheet	1905.46	3223.14
Adjustments:		
Add: Profit For the Year	2395.84	2061.42
Appropriations		
Less: Capitalisation by Issue of Bonus Shares	-	3379.10
Total of Retained Earnings	**4301.30**	**1905.46**
Other Comprehensive Income Reserve		
As per last balance sheet	28.65	22.43
Add: Other Comprehensive Income for the Year	-0.78	6.22
Total of Other Comprehensive Reserves	**27.87**	**28.65**
Total of Other Equity	**4329.18**	**1934.12**

Nature of Reserves

Retained Earnings represent the undistributed profits of the Company

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income(OCI) . OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

24 FINANCIAL LIABILITIES - NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured Loans (against hypothecation of assets)		
Vehicle & Business Loans	629.90	811.41
Less: Current maturities of Long Term Debt	168.47	195.32
Term Loans from Banks[1]	**461.44**	**616.09**
Unsecured Loans	-	-
Total	**461.44**	**616.09**

Details & Principals terms of Secured Loans:

Security	Amount of Monthly Instalment	Rate of Interest (p.a.)	Purpose / Sanction Amount	Banker
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.26	8.35%	Vehicle Loan - ₹ 12.50 Lakh	ICICI Bank Ltd**
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.42	8.50%	Vehicle Loan - ₹ 16.92 Lakh	ICICI Bank Ltd**
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.35	7.25%	Vehicle Loan - ₹ 14.61 Lakh	Axis Bank Ltd
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	1.02	7.75%	Vehicle Loan - ₹ 50.75 Lakh	BMW India Financial Services P Ltd
First *Pari Passu* Charge over the stock and book debts of the company. For collateral security details - Refer Note4	6.38 + Interest	Repo + 3%	Business Loan - ₹ 200 Lakh	ICICI Bank Limited[3]
First *Pari Passu* Charge over the stock and book debts of the company. For collateral security details - Refer Note4	7.60 + Interest	Repo + 3%	Term Loan - ₹ 1000 Lakh	ICICI Bank Limited[3]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.20	7.60%	Vehicle Loan - ₹ 8.20 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.21	7.60%	Vehicle Loan - ₹ 8.45 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.20	7.60%	Vehicle Loan - ₹ 8.20 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.21	7.60%	Vehicle Loan - ₹ 8.45 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.41	8.40%	Vehicle Loan - ₹ 17.40 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.36	8.20%	Vehicle Loan - ₹ 19.99 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.31	8.75%	Vehicle Loan - ₹ 15 Lakhs	HDFC Bank Ltd[2]

***Account closed during the FY 2022-23*

Note:1>During the year 2022-23, company has availed Vehicle loans from ICICI Bank

Note:2>During the year 2023-24, company has availed Vehicle loans from HDFC Bank

Note:3> Collateral Securities Offered to ICICI Bank Limited against Term Loan are as under:

a) First Paripasu Charge over Current Assets

b) Cash margin in form of FD of Rs. 7.75 million

c) Exclusive charge on industrial property Plot no. EL-79, TTC Industries area, Mahape, MIDC Navi Mumbai, 400710 Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sec. 54, 55, 58, Nerul, Navi Mumbai. ad-measuring 129.50 sq mtr in name of Company.

e) Personal Guarantee of i) Mr. Ram Agarwal ii) Mr. Vikas Agarwal has been offered:

Note:4>> The Company does not have any continuing default in repayment of loans and interest as on the reporting date

Note:5>> Borrowings from banks and financial institutions have been used for the purpose for which they were obtained.

24A OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deposit Payable	2.00	-
TOTAL	**2.00**	**-**

25 PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non-Current	Current	Non-Current	Current
Provision for Employee Benefits				
Provision for Defined Benefits/Gratuity	95.68	16.16	76.90	10.26
Provision for Warranty	23.10	34.65	17.11	25.66
Other Provisions		7.00	-	6.00
Total	**118.78**	**57.81**	**94.01**	**41.92**

Movement in Provisions

Particulars	As at 1st April 2023	Additions/ Creations during the Year	Amount Paid / Adj. / Utilised During the Year	As at 31st March, 2024
Provision for Defined Benefits/Gratuity	87.16	24.68	-	111.84
Other Provisions	6.00	7.00	-6.00	7.00
Provision for Warranty	42.77	44.13	-29.16	57.74

Movement in Provisions

Particulars	As at 1st April 2022	Additions/ Creations during the Year	Amount Paid / Adj. / Utilised During the Year	As at 31st March, 2023
Provision for Defined Benefits/Gratuity	76.14	13.15	-2.13	87.16
Other Provisions	5.00	6.00	-5.00	6.00
Provision for Warranty	-	42.77	-	42.77

Notes:

i) Warranty costs are provided based on managements' best estimates of the cost required to be incurred for repairs,replacement,material cost,servicing,and past experience in respect of warranty costs based on previous experience.

ii) The provision of warranty as required to be disclosed in compliance with Ind AS 37, Provisions, Contingent liabilities and Contingent Assets's as above

25 FINANCIAL LIABILITIES - CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
From Banks		
Overdraft / Cash Credit Facility from Banks[1&2]	3711.23	1607.21
From Others	-	-
Unsecured		
From Banks		
Current maturities of Long Term Debts (Note 24)	168.47	195.32
Total	**3879.70**	**1802.53**

Note: 1: Summary of Overdraft / Cash Credit facilities from banks are as under:

(A) Cash Credit Facilities - Axis Bank - ₹ 2500 Lakhs

Banker	Axis Bank
Sanction Limit (₹ in Lakhs)	2500.00
Outstanding Limit (₹ in Lakhs)	1846.26 (Including Accrued Interest)
Interest Rate	Repo Rate + 2.70%
Purpose	Working Capital Purpose
Security	a) Hypothecation on current assets of the comapany present and b) 30% in the form of Liquid with banks lien noted on thereon including cash Margin of BG/LC.
Personal Guarantees	Further, secured by personal guarantee of Mr. Ram Agarwal & Mr Vikas Agarwal

(B) Cash Credit Facility - ICICI Bank - ₹ 1600 Lakhs

Banker	ICICI Bank
Sanction Limit (₹ in Lakhs)	1600.00
Outstanding Limit (₹ in Lakhs)	464.98
Interest Rate (Bill Discounting)	Repo + 2.7%
Security	It is same as mentioned for business loan taken from ICICI Bank. See Note No. 24.
Personal Guarantees	Personal Guarantees of Mr Ram Agarwal & Vikas Agarwal

(C) Working Capital Demand Loan - Bajaj Finance Limited - ₹ 1500 Lakhs

Banker	Bajaj Finance Limited
Sanction Limit (₹ in Lakhs)	1500.00
Outstanding Limit (₹ in Lakhs)	1399.99
Interest Rate	9.65%
Security	First Ranking Pari Passu on Current Assets of the Company, Lein of Corporate Deposit / Fixed Deposit or exclusive charge on properties in favour of Lender to the extent of 25% of sanctioned amount.
Personal Guarantees	Personal Guarantees of Mr Ram Agarwal & Mr. Vikas Agarwal

Note: 2 The Company does not have any continuing default in repayment of loans and interest as on the reporting
Note:3>> Borrowings from banks and financial institutions have been used for the purpose for which they were obta
Note:4>> Balance in Overdraft / CC Accounts at the end of the year are subject to reconciliation.
Note:5> Disclosure of Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, is given at Note No. 50.
Note:6> Balance in overdraft accounts at the end of the year are subject to reconciliation.

27 FINANCIAL LIABILITIES - CURRENT - TRADE PAYABLES[1]

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) total outstanding dues of micro enterprises and small enterprises;	300.71	136.49
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	5985.88	5242.51
Total	**6286.58**	**5379.00**

Note: 1 Detailed ageing schedule and details of outstanding dues of micro enterprise and small enterprises are given at Note No. 46.3.

28 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due on borrowings	10.64	0.67
Salary Payables including bonus	66.14	3.49
Directors Remuneration payable	5.35	3.01
Sitting Fees Payable to Directors	0.16	0.88
Other Outstanding Expenses	10.33	4.36
Credit Card Dues	1.42	1.37
Deposit Payable	24.43	-
Total	**118.48**	**13.78**

29 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory Liabilities	154.49	221.58
Advances from Customers	87.77	87.77
Total	**242.26**	**309.35**

30 CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Tax	851.93	748.27
Less: TDS / Advance Tax Paid	603.05	598.63
Net Current Tax Liabilities/ Assets	**248.88**	**149.64**

31 LEASES

(₹ In Lakhs)

Company as a Lessee

The Company has taken on some properties on long-term leases and short-term leases. Most of the property leases include renewal and escalation clauses. The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach.

In respect of Leased Properties taken on Long-term :

Impact of Adoption of Ind AS 116 on the Statement of Profit and Loss (excluding corresponding deferred tax):

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest on Lease Liabilities	0.87	1.08
Depreciation of Right-of-Use Assets	9.62	0.42
Actual Lease Rental Paid	6.58	7.20
Impact on Statement of Profit or Loss	3.91	-5.70

Lease Liabilities Reconciliation

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Lease Liabilities Recognised	11.53	17.64
Lease Liabilities Recognised during the Year	-	-
Interest on Lease Liabilities	0.87	1.08
Repayment / Actual Rent Paid	6.58	7.20
Closing Lease Liabilities	5.82	11.53

Classification of Lease Liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current Lease Liabilities	5.82	5.81
Non-Current Lease Liabilities	0.00	5.72

In respect of Leased Properties :

Company has taken certain offices and residential premises under operating lease agreements for short period. Aggregate rental of ₹ 222.38 Lakhs for FY 2023-24 (FY 2022-23 ₹ 167.17 Lakhs) lakhs on such leases has been charged to Statement of Profit and Loss.

32 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sale of Products	22066.52	21383.29
Sale of Services	1170.44	611.55
Sale of EPC Contracts (Solar)	2368.46	906.91
Other Operating Revenues	18.44	21.74
Financing Component - Retention [Ind AS]	-25.17	0.00
Total Revenue from Operations	**25598.68**	**22923.49**

Reconciliation of Sale of Services	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Service Charges Billed During the Year	1115.04	593.42
Opening Unbilled Revenues from Services	-52.27	-34.14
Closing Unbilled Revenues from Services	107.66	52.27
Net Revenue from Sale of Services	**1170.44**	**611.55**

Geographical disaggregation	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sales in India	25592.79	22892.27
Sales Outside India	5.89	31.22
Total	**25598.68**	**22923.49**

Reconciliation of Revenue from Sale of Products	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sales from Product Billed	34656.29	30491.22
Less: Interbranch Transfers	12589.77	9107.92
Net Sales from Products	**22066.52**	**21383.29**

33 OTHER INCOMES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest Incomes:		
Interest Income on bank deposits	75.47	55.72
Interest Received on Arbitration Award[1]	-	50.36
Interest Income on IT Refunds	-	0.28
Finance Income - Ind AS	40.74	-
Other Non-Operating Incomes		
Rent / Lease Income (Refer Note 5)	7.95	6.60
Foreign Exchange Gain (Net)	6.99	-
Net Gain (Loss) on disposal of PPE/Inves. Property	2.00	-
Net Gain on Sale of Investments	-	4.34
Recovery of Bad Debts through Arbitration Award[1]	-	80.16
Other Incomes	3.05	0.36
Total	**136.20**	**197.81**

Note-1: During the financial year 2022-23, the company has received a sum of Rs. 80.16 Lakhs as principal amount against old unpaid disputed dues and Rs. 50.36 Lakhs as interest thereon from M/s Mphasis Limited in terms of arbitration award dated 16th April, 2021 given by Appellate Tribunal of Shri Justice H M. Nagamohan Das, Sole Arbitrator At Arbitration & Conciliation Center - Bengaluru (Domestic & International) in the matter of A/c No. 20/2019 between Mphasis Limited and M/s Prostarm Info Systems Limited (the Company).

34 COST OF MATERIAL CONSUMED[1]

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Inventory at the Commencement of the Year	263.19	10.12
Add: Purchases made during the year	10246.12	6061.05
Less: Inventory at the End of the Year	830.53	263.19
Net Cost of Material Consumed[1]	**9678.78**	**5807.99**

Note:1>During the current reporting period, previous year figures have been reclassified to correspond with the current year's classification. In previous year(s), purchase of goods / components sold as a part of Complete Power Solution Product were classified as "purchase of stock-in-trade" on basis of its component under Schedule - 35 whereas in current year, such goods are classified as "cost of material consumed" being used as part /component of a Complete Power Solution Product under this Schedule.

35 PURCHASE OF STOCK-IN-TRADE[2]

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Purchases made during the Year[1]	22854.16	20559.71
Inter-Branch Purchases	-12589.77	-9107.92
Net Purchases of Stock-in-Trade	**10264.39**	**11451.78**

Note:1> It includes goods manufactured through Contract Manufacturing, Trading, etc

Note:2>During the current reporting period, previous year figures have been reclassified to correspond with the current year's classification. In previous year(s), purchase of goods / components sold as a part of Complete Power Solution Product were classified as "purchase of stock-in-trade" on basis of its component under this Schedule whereas in current year, such goods are classified as "cost of material consumed" being used as part /component of a Complete Power Solution Product under Schedule - 34.

36 CHANGE-IN-INVENTORIES OF FINISHED GOODS, WIP AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Inventory at the Beginning of the Year	**3330.71**	**2891.43**
Traded Goods	3280.62	2886.34
Finished Goods	44.73	0.93
Work-in-Progress	5.36	4.16
Inventory at the End of the Year	**4952.17**	**3330.71**
Traded Goods	4813.70	3280.62
Finished Goods	133.46	44.73
Work-in-Progress	5.01	5.36
Change-in-Inventory During the Year	**-1621.46**	**-439.28**

37 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Salary and Wages (Including Bonus)	1405.61	1152.23
Directors' Remuneration	109.75	101.14
Staff Welfare Expenses	92.92	85.67
Contribution to provident and other funds	41.46	59.51
Gratuity Expense [Refer Note - 59]	23.64	23.15
Total	**1673.57**	**1421.70**

38 FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest Expense	325.26	107.50
Other Borrowing Cost (upfront fees, renewal fees, etc)	28.24	17.41
Interest / Penalty on Income-tax	19.76	4.22
Interest on TDS/TCS	-	0.29
Interest on Leased Liability	0.87	1.23
Total	**374.14**	**130.66**

39 DEPRECIATION & AMORTIZATION EXP

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Depreciation on PPE (Refer Note-5)	109.34	91.64
Depreciation on Investment Properties (Refer Note-7)	5.89	6.19
Amortization on Intangible Assets (Refer Note-8)	5.26	4.29
Amortization of Right-of-Use Assets (Refer Note-9)	9.62	0.42
Amortizations on Leasehold Properties (Refer Note -5)	0.00	-
Total	**130.11**	**102.53**

40 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Operating & Manufacturing Overheads		
Freight & Transportation Charges	401.49	325.26
Labour Charges	13.81	14.61
Custom Clearing & Forwarding Charges	125.88	79.51
Service Charges	11.56	76.20
Installation Charges	157.19	48.76
Loading & Unloading Charges	56.54	39.47
Other Consumables	1.91	-
Power and Fuel Expenses	15.79	-
Total (A)	**784.16**	**583.80**

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PROSTARM INFO SYSTEMS LIMITED MUMBAI

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Establishment Expenses		
Corporate Social Responsibility Expenses	37.25	25.00
Business Promotion Expenses	47.09	15.68
Other Bank Charges	13.48	24.78
Misc Expenses	4.65	18.27
Electricty & Water Charges	8.22	14.02
Insurance Charges	8.86	8.62
Tax and Other Payments	7.01	21.89
Repair & Maintenance Charges	20.35	27.84
Tender Fee	8.69	9.24
Office & Misc Expenses	49.86	93.36
Postage & Courier Charges	10.43	6.72
Printing & Stationery	6.80	9.46
Professional & Consultancy Charges	139.47	216.45
Rent, Rates & Taxes	225.73	173.21
Telephone & Internet Exp	6.08	7.04
Travelling & Conveyance Expenses	343.24	403.31
Brokerage & Commission	53.23	14.90
ROC & Other Govt Fees	6.57	39.49
Auditors' Remuneration	7.00	6.00
Sitting Fees to Directors	2.98	0.88
Security Service Charges	6.77	4.40
Recruitment Service Charges	-	4.00
Fee & Subscription Charges	23.23	3.78
Donations	-	1.00
Labour Welfare Charges	39.30	-
Warranty Expenses	44.13	42.77
Allowance for Expected Credit Loss	34.35	9.57
Penalty under GST Law	-	0.25
SD Deferement [Ind AS Adj]	0.89	-
Sundry Balance Written Off	58.60	35.54
Lease Registration Charges	-	5.18
Foreign Exchange Loss (Net)	-	24.28
Total (B)	**1214.25**	**1266.92**
Total (A+B)	**1998.41**	**1850.72**

40.1 PAYMENT TO AUDITORS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
a) Auditors	7.00	6.00
b) for taxation matters	-	-
c) for other services	-	-
d) for company law matters	-	-
e) for reimbursement of expenses	-	-
Total	**7.00**	**6.00**

41 INCOME TAX EXPENSE

(₹ in Lakhs)

The major components of income tax expense for the year ended 31st March, 2024 is indicated below:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
a) Statement of Profit or Loss for the Year ended		
Current Tax :		
Current tax on profit for the year	851.93	748.27
Charge/Credit in respect of current tax for earlier year	-	3.78
Total Current Tax	**851.93**	**752.04**
Deferred Tax :		
Origination and reversal of temporary differences	-10.83	-18.26
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total Deferred Tax :	**-10.83**	**-18.26**
Total Tax Expense / (Credit) for the Year	**841.10**	**733.78**
b) Statement of Comprehensive Income for the Year ended		
Deferred tax (Credit) / charge on :		
Re-measurement of defined benefit obligations	-0.26	2.09
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total	**-0.26**	**2.09**

(A) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Accounting Profits / (loss) before tax	3236.94	2795.20
Statutory income tax rate (%)	25.17	25.17
Tax at Indian statutory income tax rate	814.67	703.50
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	30.30	35.81
Permanent Disallowances	6.96	8.96
Changes in deferred tax balances due to the change in income tax rate for the year	-	-
Total Income-tax Expense / (Credit)	**851.93**	**748.27**
Effective income tax rate (%)	26.32%	26.77%

For the Financial Year 2019-20 and for subsequent period, the Company has after evaluation, decided to adopt the option permitted under section 115BAA of Income Tax Act, 1961 (as introduced by the Taxation Laws (Amendment) Ordinance 2019) of the lower effective corporate tax rate of 25.17% (including surcharge and cess) instead of the earlier rate of 33.38% (including surcharge and cess)(30%+7%+4%). Accordingly, the Company has recognized the Provision for Income Tax for the financial year ended 31st March 2020 and subsequent period based on the rates prescribed in the aforesaid section and subsequent period based on the rates prescribed in the aforesaid section.

(B) The movement in deferred tax assets and liabilities as at the reporting period ended on 31st March, 2024 and 31st March, 2023 are as under:

Particulars	As at 31st March, 2023	Charged / (Credited) to P&L	Charged / (Credited) to OCI	As at 31st March, 2024
Deferred Tax Assets :				
Provision of doubtful debts and advances	2.41	8.64	-	11.05
Provision for Warranty Expense	10.76	3.77	-	14.53
Provision of Gratuity (Employee Benefits)	21.94	5.95	0.26	28.15
Carry forward of Capital Losses	2.80	0.00	-	2.80
Temporary Disallowances under IT Act	1.51	-0.98	-	0.53
Property, Plant & Equipment	22.29	-6.55	-	15.74
Deferred Tax Liabilities				
Property, Plant & Equipment	-	-	-	-
Fair Valuation of Investments	-	-	-	-
Total	**-61.71**	**-10.83**	**-0.26**	**-72.80**

Particulars	As at 31st March, 2022	Charged / (Credited) to P&L	Charged / (Credited) to OCI	As at 31st March, 2023
Deferred Tax Assets :				
Provision of doubtful debts and advances	-	2.41	-	2.41
Provision for Warranty Expense	-	10.76	-	10.76
Provision of Gratuity (Employee Benefits)	19.16	4.87	-2.09	21.94
Carry forward of Capital Losses	2.80	-	-	2.80
Temporary Disallowances under IT Act	1.26	0.25	-	1.51
Property, Plant & Equipment	22.32	-0.03	-	22.29
Deferred Tax Liabilities				
Property, Plant & Equipment	-	-	-	-
Fair Valuation of Investments	-	-	-	-
Total	**-45.54**	**-18.26**	**2.09**	**-61.71**

42 RELATED PARTY TRANSACTIONS

(₹ in Lakhs)

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are reported as under:

A. Name of related parties and description of relation:

(I) Entities where control exist – Subsidiaries

Name of Company	Nature of Relationship
Prostarm Energy Systems Private Limited	Subsidiary

(II) Other Related Parties

Name of Company / Entity/Person	Nature of Relationship
Mr Shyam Sundar Agarwal	Relative of Director
Mr Santosh Agarwal	Relative of Director
Mrs Parvati Agarwal	Relative of Director
Mrs. Jayanti Ghose	Relative of Director
Mrs. Kavita Jain[8]	Relative of KMP
S K Enterprises (Prop. Kavita Jain)[8]	Proprietorship Firm of Relative of KMP

(III) Key Managerial Personnel (KMP)

Designation	Name
Chairman & Managing Director	Mr. Tapan Ghose
Whole Time Director & Chief Executive Officer	Mr. Ram Agarwal
Whole Time Director	Mrs. Sonu Ram Agarwal[9]
Whole Time Director	Mr. Vikas Shyamsunder Agarwal
Whole Time Director	Mr. Raghu Ramesh Thammanneshastri
Independent Director	Mr. Goutam Paul[3]
Independent Director	Mr. Bhargav Chatterjee[4]
Independent Director	Mr. Ganesh Basant Kumar Pansari[5]
Independent Director	Mr. Shivkumar Baser[6]
Independent Director	Ms. Mitali Chatterjee[7]
Chief Financial Officer	Mr. Abhishek Jain[7]
Company Secretary	Mr. Prashant Sharad Patankar[3]

Note: Related party relationship is as identified by the Company and relied upon by the auditors.

B. Related Party Transactions

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The Company has not recorded any impairment of receivables relating to amounts owed by related parties as at reporting dates. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates. There are no commitments with related parties.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant period

Transaction Type / Party	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Unsecured Loan Repaid		
Mr Shyam Sundar Agarwal	-	40.00
Short term employee benefits**		
Mr Tapan Ghose	18.23	6.23
Mr Ram Agarwal	54.23	48.23
Mrs Sonu Ram Agarwal	26.23	24.23
Mr Raghu Shastri	24.23	22.43
Mrs. Parvati Agarwal	6.23	6.23
Mr. Santosh Agarwal	6.33	6.23
Mr. Vikas Agarwal	6.00	-
Mrs. Jayanti Ghose	-	7.23
Mr Abhishek Jain	20.87	5.22
Mr Prashant Sharad Patankar	3.91	1.35
Ms. Kavita Jain	7.67	1.02
Sales Commission Paid /Payable		
Mr Ram Agarwal	28.34	-
Mr. Vikas Agarwal	-	6.00
Sitting Fees Paid /Payable		
Mr. Goutam Paul	0.73	0.20
Mr. Bhargav Chatterjee	0.88	0.28
Mr. Ganesh Pansari	0.40	0.10
Mr. Shivkumar Baser	0.58	0.10
Ms. Mitali Chatterjee	0.40	0.20
Rent Received / Receivable		
Mr. Ram Agarwal	-	2.40
Mr. Santosh Agarwal	2.40	-
Salary Advances		
Mr. Santosh Agarwal	-	0.65
Mr. Ram Agarwal	-	12.61
Mrs. Sonu Ram Agarwal	-	9.48
Mrs. Parvati Agarwal	-	12.89
Mrs. Jayanti Ghose	-	1.50
Mr. Abhishek Jain	7.50	3.00
Mrs. Kavita Jain	8.60	-
Sale of Products		
Prostarm Energy Systems Private Limited	118.56	55.05
S K Enterprises (Prop. Kavita Jain)	30.79	1.00
Purcahse of Services		
Prostarm Energy Systems Private Limited	1.14	-
Purchase of Materials / Products		
Prostarm Energy Systems Private Limited	1626.25	1181.51
S K Enterprises (Prop. Kavita Jain)	-	1.93
Advances for Purchases		
S K Enterprises (Prop. Kavita Jain)	7.00	-
Prostarm Energy Systems Private Limited	-	8.02
Reimbursement of Expenses		
Prostarm Energy Systems Private Limited	0.61	5.63
Mr. Raghu Ramesh Thammannashastri	0.75	0.15
Mr. Abhishek Jain	3.71	0.06
Ms. Kavita Jain	1.90	-
Mr. Prashant Sharad Patankar	0.58	-

**The remuneration to the Key Management Personnel does not include provision made for gratuity as they are determined on an actuarial basis for the Company as a whole.

The receivables from and payables to related parties as at 31st March, 2024 and 31st March, 2023 are set out below:

Related Party	As at 31st March, 2024	As at 31st March, 2023
Payable To		
Mr. Ram Agarwal (Remuneration)	-	1.65
Mrs. Sonu Ram Agarwal (Remuneration)	0.03	1.35
Mr. Raghu Ramesh Thammannshastri (Remuneration)	0.59	-
Mr. Vikas Agarwal (Remuneration)	4.50	-
Mrs Parvati Agarwal (Salary)	0.96	-
Mr. Goutam Paul (Sitting Fees)	0.07	0.20
Mr. Bhargav Chatterjee (Sitting Fees)	0.09	0.28
Mr. Ganesh Basant Kumar Pansari (Sitting Fees)	-	0.10
Mr. Shivkumar Baser (Sitting Fees)	-	0.10
Ms. Mitali Chatterjee (Sitting Fees)	-	0.20
Mr. Abhishek Jain (Remuneration)	1.61	-
Mrs. Kavita Jain (Remuneration)	0.35	-
Mr Tapan Ghose (Remuneration)	0.26	-
Prostarm Energy Systems Private Limited (Purchase)	9.94	-
Receivable From		
Mr. Santosh Agarwal (Salary Advance)	0.39	0.65
Mrs Jayanti Ghose (Salary Advance)	-	1.70
Mr. Abhishek Jain (Salary Advance)	-	2.00
Mr Ram Agarwal (Salary Advance)	0.28	-
M/s SK Enterprise Proprietor Ms Kavita Jain (Sales)	0.93	2.07
M/s SK Enterprise Proprietor Ms Kavita Jain (Purcahse Advance)	7.00	-
Prostarm Energy Systems Private Limited (Sales)	-	34.16
Prostarm Energy Systems Private Limited (Purchase Advance)	-	8.02

Note-1> Mr. Abhishek Jain has been appointed as Chief Financial Officer of the Company with effect from 24th Jan, 2023.
Note-2> Mr. Prashant Patankar has been appointed as Company Secretary of the Company with effect from 24th Jan, 2023 and has resigned with effect from 30th Nov, 2023.
Note-3> Mr. Goutam Paul was appointed as an Independent Director with effect from March 9, 2023.
Note-4> Mr Bhargav Chatterjee was appointed as an Independent Director with effect from March 9, 2023.
Note-5> Mr Ganesh Pansari was appointed as an Independent Director with effect from March 9, 2023.
Note-6> Mr Shivkumar Baser was appointed as an Independent Director with effect from March 9, 2023.
Note-7> Ms. Mitali Chatterjee was appointed as an Independent Director with effect from March 9, 2023.
Note-8> Transaction with Ms. Kavita Jain and her Proprietorship Firm Namely SK Enterprise have been considered for the period on or after 24th Jan, 2023 i.e. after appointment of Mr Abhishek Jain as CFO of the Company being relative of Ms Kavita Jain.
Note -9> Ms.Sonu Agarwal resigned from the post of Whole Time Director with effect from July 07, 2023. However, she continues to work in the capacity of as an employee.

Terms & Conditions:

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists. For the Year Ended on 31st March, 2024 and 31st March, 2023, the company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and

Loans from related parties:

The Company had taken loans from related parties for business requirement. The loan balances as at March 31, 2024 and March 31, 2023 is Rs. 0 and Rs. 0 respectively. These loans are unsecured in nature.

43 EARNING PER SHARE

(₹ in Lakhs)

Basic Earnings per share ('EPS') amounts are calculated by dividing the Profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the Profit/(loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
A. Nos. of Equity Shares outsanding at end of year	42874592	42874592
B. Weighted Average number of Equity Shares for Basic & Diluted EPS	42874592	42874592
C. Profit attributable to ordinary shareholders	2395.84	2061.42
D. Earning per Share before Exceptional Income		
Basic & Diluted Earning Per Share (In ₹)	**5.59**	**4.81**
E. Earning per Share after Exceptional Income		
Basic & Diluted Earning Per Share (In ₹)	**5.59**	**4.81**
F. Nominal Value of Shares (In ₹)	10.00	10.00

** The Company has issued bonus share in the ratio of 372:100 during the year ended 31st March, 2023 (refer note 22.3(vi)).Inline with the requirements of Para 28 of Ind AS 33,for the purpose of EPS calculations, bonus shares issued have been considered as if the event of bonus issue had occurred at the beginning of the earliest period reported.

44 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Contingent Liabilities		
Claims against the company not acknowledged as debt[1]	11.30	11.30
Guarantees & LC excluding financial guarantees[2]	1792.07	1050.94
Other money for which the company is contingently liable[3]	32.03	3.06
Commitments		
Estimated amount of contracts remaining to be executed on capital account & not provided for	135.04	76.77
Uncalled liability on shares and other investments partly paid	-	-
Other commitments	-	-

Notes:

1. The Company has certain disputes, lawsuits and claims, which arise in from time to time in the ordinary course of business. The Company believes these matters are not expected to have material impact on the Financial Statements.
2. Includes Bank Guarantees issued in favour of various customers for supply of materials, tendering, etc
3. Represnts demands raised by Income tax and sales tax authorities pending before adjiducating authority or rectification to be done in due course.

45 FINANCIAL RISK MANAGEMENT

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Financial Risk Factors

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers and related party. The Company operates majorly with AMCs with high credit ratings resulting in limited credit risk on trade receivables.
Liquidity risk	Liabilities	Rolling cash flow forecasts	The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company believes that the working capital and its cash and cash equivalent are sufficient to meet its short and medium term requirements.
Market risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	The Company has very limited exposure to the financial risk of changes in foreign currency exchange rates.

A. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a. Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

The Company provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, trade receivables, cash and cash equivalents, financial assets measured at amortised cost	12 month expected credit loss or
High credit risk	Trade receivables	Life time expected credit loss or specific provision, as required

(₹ In Lakhs)

Particulars	Note	Note No.	As at 31st March, 2024	As at 31st March, 2023
Low credit risk				
Security deposits	Other Current Assets - Non Current	12	14.13	7.44
Trade receivables	Current & Non Current Trade Receivables	10 & 16	8920.04	6618.66
Cash and cash equivalents	Cash and cash equivalents	17	32.15	49.67
Bank balances other than Cash & cash equivalents	Current Financial Assets - Other Bank Balances	18	21.33	8.66
Other financial assets	Other Financial Assets - Current & Non Current	11,12,15,19 & 20	2443.83	2302.26
High credit risk				
Trade receivables	Current & Non-Current Trade Receivables	10 & 16	62.17	86.11
Loans				-
Total			11496.64	9066.31

***These represent carrying values of financial assets, without deduction for expected credit losses**

Cash and cash equivalents and bank deposits
Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables
Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Company. The Company has also taken advances from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Company recognises a impairment for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company

Other financial assets measured at amortised cost
Other financial assets measured at amortised cost includes loans to related parties, loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits.

b. Expected credit losses for financial assets

i. Financial assets (other than trade receivables)
Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.
- For cash & cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Company knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Company policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk

(₹ in Lakhs)

Particulars	Notes	Gross carrying amount	Expected probability of Default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2024					
Cash and cash equivalents	17	37.15	0%	-	37.15
Other bank balances	18	21.33	0%	-	21.33
Other financial assets	11,12,15,19 & 20	2457.96	0%	-	2457.96
March 31, 2023					
Cash and cash equivalents	17	49.67	0%	-	49.67
Other bank balances	18	8.66	0%	-	8.66
Other financial assets	11,12,15,19 & 20	2303.70	0%	-	2303.70

II) Expected credit loss for trade receivables under simplified approach (₹ in Lakhs)

As at March 31, 2024 and March 31, 2023 the Company considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 6 months after the reporting date. In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach

Particulars	Carrying Amount Net of Impairment Provision	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses
March 31, 2024				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	62.17	106.08	10.00%	43.92
Total	**62.17**	**106.08**		**43.92**
March 31, 2023				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	86.11	95.68	10.00%	9.57
Total	**86.11**	**95.68**		**9.57**

Reconciliation of loss allowance provision for Trade receivables from beginning to end of reporting period:

Particulars	Trade receivables
Loss allowance as at March 31, 2022	-
Changes in loss allowance	9.57
Loss allowance on March 31, 2023	**9.57**
Changes in loss allowance	34.35
Loss allowance on March 31, 2024	**43.92**

B. Market Risk

a) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities that are not hedged by a derivative at the end of the reporting period are as follows.

(₹ in Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Foreign Currency*	Rs.	Foreign Currency*	Rs.
Trade Payables				
USD**	3,448,324	2887.97	898,623	737.86
CNY***	-	-	-	-
Trade Receivables	-	-	-	-
Other Payables				
USD**	-	-	-	-
CNY***	-	-	-	-
Total		2887.97		737.86

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Company's financial assets and financial liabilities at the reporting date. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility

Sensitivity analysis of 5% change in exchange rate at the end of reporting period.

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	USD**	CNY***	USD**	CNY***
Foreign Currency Sensitivity				
Impact on Profit & Loss				
5% Appreciation in (₹)	144.40	-	36.89	-
5% Depreciation in (₹)	-144.40	-	-36.89	-

*foreign currency is presented in absolute numbers.
**USD represents for United States Dollar
***CNY represents for Chinese Yuan Renminbi

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates on account of procurement of goods/materials from outside India.

C. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company believes that the working capital and its cash and cash equivalent are sufficient to meet its short and medium term requirements.
The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

As at 31st March, 2024

(₹ in Lakhs)

Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	3711.23	3711.23	3711.23	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	629.90	629.90	168.47	461.43
Lease Liability	5.82	5.82	5.82	0.00
Trade Payables	6286.58	6286.58	6286.58	-
Other Financial Liabilities	120.48	120.48	120.48	-

As at 31st March, 2023

(₹ in Lakhs)

Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	1607.21	1607.21	1607.21	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	811.41	811.41	195.32	616.09
Lease Liability	11.53	11.53	5.81	5.72
Trade Payables	5379.00	5379.00	5379.00	-
Other Financial Liabilities	13.78	13.78	13.78	-

46 TRADE PAYABLES - DISCLOSURES

(₹ in Lakhs)

46.1 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2024

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	646.74	0.08	2.95	-	649.76
(ii) Others	-	-	5599.42	0.23	33.76	-	5633.41
(iii) Disputed Dues- MSME	-	-	-	-	1.76	-	1.76
(iv) Disputed Dues - Others	-	-	0.34	1.15	0.17	-	1.66
Total	-	-	6246.50	1.46	38.63	-	6286.58

46.2 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	818.84	-	-	-	818.84
(ii) Others	-	-	4524.26	35.90		-	4560.16
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
Total	-	-	5343.10	35.90	0.00	-	5379.00

46.3 DISCLOSURE FOR AMOUNT DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES

(₹ in Lakhs)

The information required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The details of amount outstanding to Micro & Small Enterprises are as under:

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Principal amount remaining unpaid (Refer Note 27)	651.51	818.84
B. Interest due thereon	-	-
C. Interest paid by company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to suppliers beyond the appointed day during the year	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
E. Interest accrued and remaining unpaid at the end of each accounting year;	-	-
F. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise	-	-

47 Disclosure of Loans & Advances to Promoters, Directors , KMPs & the Related Parties

(₹ in Lakhs)

Type of Borrower	As at 31st March, 2024		As at 31st March, 2023	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	2.00	1.83%
Related Parties	7.67	4.37%	10.37	9.50%

Note: During the current and previous reporting period, company has not granted any loan or advances to promotores, directors, KMPs and their relatives except small advances against remuneration and salaries as above.

48 TRADE RECEIVABLES - DISCLOSURES

(₹ In Lakhs)

48.1 Ageing for current trade receivables from the due date of payment for each of the category as at 31st March, 2024

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	107.66	7579.54	978.47	166.19	4.18	84.00	8920.04
(ii) Undisputed Trade Rece., which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered	-	-	7.02	6.29	7.23	41.62	62.17
(v) Disputed Trade Receivable, which have significant increase in credit	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	107.66	7579.54	985.50	172.48	11.41	125.62	8982.20

Note: There are not any trade receivables which are not due on reporting date.

48.2 Ageing for current trade receivables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	52.27	5985.83	306.61	141.67	75.09	57.20	6618.66
(ii) Undisputed Trade Rece., which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered	-	-	7.63	9.01	69.47	-	86.11
(v) Disputed Trade Receivable, which have significant increase in credit	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	52.27	5985.83	314.24	150.68	144.56	57.20	6704.77

Note: There are not any trade receivables which are not due on reporting date.

49 Details of loans given, investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013.

Loans given and investments made are given under the respective heads.

(₹ In Lakhs)

Particulars	Transaction Type	As at 31st March, 2024	As at 31st March, 2023
Prostarm Energy Systems Private Limited	Investment	345.78	345.78

50 The Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, are materially in agreement with Books of Accounts except the following figures of as of 31st March, 2024:

Name of Bank / Lender	Year	Quarter	Particulars	Amount as per Books of Account	Amount Reported in Stock Statement	Amounts of Difference	Reason for Discrepancies
Axis Bank, ICICI Bank	2023-24	1st	Inventory	6763.15	7623.44	-860.29	Due to pending finalisation of Qtrly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4861.86	4902.49	-40.63	
			Trade Payables	6870.36	6717.39	152.97	
Axis Bank, ICICI Bank, Bajaj Finance Limited	2023-24	2nd	Inventory	4731.92	5798.81	-1066.89	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	9113.27	9547.74	-434.47	
			Trade Payables	6775.50	6452.59	322.91	
Axis Bank, ICICI Bank, Bajaj Finance Limited	2023-24	3rd	Inventory	6703.92	7598.67	-894.76	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	7316.33	7364.02	-47.69	
			Trade Payables	7039.34	6454.89	584.45	
s	2023-24	4th	Inventory	5782.70	6171.60	-388.91	Due to pending finalisation of Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	8982.20	8979.32	2.88	
			Trade Payables	6286.58	6035.00	251.59	
Axis Bank, ICICI Bank	2022-23	1st	Inventory	3583.03	4848.20	-1265.17	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4074.87	4453.30	-378.43	
			Trade Payables	-4373.17	-4990.20	617.03	

Axis Bank, ICICI Bank	2022-23	2nd	Inventory	2730.93	4100.60	-1369.67	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	5881.62	6036.00	-154.38	
			Trade Payables	-4424.32	-4319.00	-105.32	
Axis Bank, ICICI Bank	2022-23	3rd	Inventory	3813.20	4129.00	-315.80	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4634.44	4705.00	-70.56	
			Trade Payables	-4397.96	-4315.00	-82.96	
Axis Bank, ICICI Bank	2022-23	4th	Inventory	3593.90	3736.40	-142.50	Due to inclusion of corresponding input taxes on inventory for bank Submission
			Trade Receivables	6704.77	6672.90	31.87	Unbilled Revenue provision was not part of Trade Receivables submitted to Bank
			Trade Payables	-5310.04	-4984.00	-326.04	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer /

51 RATIO ANALYSIS

(₹ in Lakhs)

Particulars	FY 2023-24	FY 2022-23	Variance	Reasons for Variance
	Rs.	Rs.	%	
(a) Current Ratio	**1.48**	**1.47**	**0.83%**	
- Current Assets	16056.64	11314.49		
- Current Liabilities	10839.53	7702.02		
(b) Debt-Equity Ratio	**0.50**	**0.39**	**29.16%**	Debts have been increased during the year.
- Total Debt	4346.96	2430.15		
- Shareholders Equity	8616.64	6221.58		
(c) Debt Service Coverage Ratio	**5.70**	**7.33**	**-22.22%**	Debts have been increased during the year.
-Earnings available for debt service	2851.21	2271.45		
-Debt Service	500.30	310.02		
(d) Return on Equity Ratio	**0.32**	**0.40**	**-18.73%**	
- Net Profits after taxes	2395.84	2061.42		
- Average Shareholder's Equity	7419.11	5187.76		
(e) Inventory turnover ratio	**3.91**	**5.18**	**-24.54%**	Inventory have been increased during the year
- Cost of Goods Sold or Sales	18321.71	16820.49		
- Average Inventory	4688.30	3247.72		
(f) Trade Receivables turnover ratio	**3.26**	**4.50**	**-27.52%**	Debtors have been increased during the year.
- Net Credit sales	25598.68	22923.49		
- Average Trade Debtors / Accounts recei	7843.49	5090.99		
(g) Trade payables turnover ratio,	**3.52**	**3.53**	**-0.38%**	
- Net Credit Purchases	20510.51	17512.83		
- Average Trade Payables	5832.79	4961.38		
(h) Net capital turnover ratio,	**5.80**	**7.41**	**-21.76%**	
- Net Sales	25598.68	22923.49		
- Average Working Capital	4414.64	3092.93		
(i) Net profit ratio,	**9.36%**	**8.99%**	**4.08%**	
- Net profit	2395.84	2061.42		
- Net Sales	25598.68	22923.49		
(j) Return on Capital employed,	**27.65%**	**33.81%**	**-18.24%**	
- Earnings Before Interest and tax	3562.20	2902.70		
- Capital employed	12884.98	8584.21		
(k) Return on Investment.	-	**3.93%**	**-100.00%**	No Investments during the year
- Earnings on Investment	-	4.34		
- Average Investment	-	110.48		

Capital employed refers to Tangible Networth + Total Debt + Lease Liabilities + Deferred Tax Liability
Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations and "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.
Working Capital implies Current Assets less Current Liabilities
Return on investment is calcualted on the basis of average cost of investments held during the respective year
All figures related to profit and loss have been extrapolated for the purpose of calculation of ratios.

52 DETAILS OF TITLE DEEDS OF IMMOVABLE PROPERTIES

Description of item of property	Relevant line item in the Balance sheet	Gross carrying value (₹ In Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative* of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
179A/1H, Maniktala Main Road, Kolkata, Kolkata, West Bengal, 700054	PPE	26.15	Pagdi System	No	31/Mar/2015	As per system prevailing in the State
EL-79, Electric Zone, A-Block, Trans Thane Creek Industrial Area, MIDC, Village Mahape, Thane - MH	PPE (Land)	408.40	PISL[1]	No	30/Aug/2022	
EL-79, Electric Zone, A-Block, Trans Thane Creek Industrial Area, MIDC, Village Mahape, Thane - MH	PPE (Building CWIP)	949.32	PISL[1]	No	30/Aug/2022	
Shop No.2, Khemka House, Nilmani Society, Drive In Road, Memnagar, Ahmedabad, Gujrat, 380059, Ahmedabad, Gujrat	Investment Property	8.83	PISL[1]	No	31/Mar/2009	
Apartment No 3307, 33RD Floor,Parkwood D5-Phase II,Ghodbunder Road, Kavesar, Behind Dmart, Thane (West), 400615	Investment Property	71.61	PISL[1]	No	22/Mar/2022	
Apartment No.3308, 33RD Floor, Parkwood D5-Phase II, Ghodbunder Road, Kavesar, Behind Dmart, Thane (West), 400615	Investment Property	71.61	PISL[1]	No	22/Mar/2022	
Plot No.464, Yamuna Expressway Area, Sector-32, Noida, UP	ROU	41.17	PISL[1]	No	13/Sep/2019	
Flat No. A3/12/F1/103, First Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sector-54, 56, 58, Nerul, Navi Mumbai.	Investment Property	159.30	PISL[1]	No	19/Mar/1998	
Shop No.6, GF, Neelkanth Corner Co-op HSG SOC Ltd, Plot No.2, Sector-2, Sanpada, Navi Mumbai-400705	Investment Property	74.50	PISL[1]	No	20/Feb/2014	
Shop No.7, GF, Neelkanth Corner Co-op HSG SOC Ltd, Plot No.2, Sector-2, Sanpada, Navi Mumbai-400705	Investment Property	42.70	PISL[1]	No	20/Feb/2014	

1. PISL stands for Prostarm Info Systems Limited.

53 SEGMENT INFORMATION

A) The principal business of the Company is sale of "Customized Power Electronic Solutions' products. All other activities of the Company revolve around its principal business. The Executive Committee of the Company, has been identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. CODM have concluded that there is only one operating reportable segment as defined under IND AS 108 "Operating Segments", i.e. Customized Power Electronic Solutions.

B) Disaggregation of Revenue from Operations by Geographical Area has been provided at Note No. 32.

C) All Non-Current Assets of the Company are located within India only.

D) Information about Major Customers

Following are the details of single customer who contributes 10% or more to the Company's revenue during the year ended 31st March 2024 and 31 March 2023:

Name of Customer	For the Year Ended 31st March, 2024		For the Year Ended 31st March, 2023	
	Revenue	% to total Entity's Revenue	Revenue	% to total Entity's Revenue
Hitachi Payment Services Private Limited	2798.66	10.93%	-	-
West Bengal Medical Services Corporation Limited	3048.61	11.91%	-	-

54 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per IND AS 8 an entity is required to correct prior period error retrospectivley by restating the comparative amounts for the prior period presented in which the error occured. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earlier prior period presented. Therefore, in terms of provisions of IND AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening balance of retained earnings. However, in current year no such items identified which require such restatement.

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023
Expenses	-
Incomes	-
Total impact on profit/reserve	-
Increase/(Decrease) in EPS (in ₹)	-

55 DETAILS OF CORPORATE SOCIAL RESPONSBILITY (CSR) EXPENDITURES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Amount required to be spent as per Section 135 of Companies Act, 2013	37.07	24.58
Amount spent during the year on:		
(i) Acquisition / Construction of an Asset	-	-
(ii) on purpose other than (i) above	-	-
`-Direct Contribution to approved CSR Project/Activities /Programmes	37.25	25.00
`-Distribution of Foods/Cloths etc		
Details of Related Party Transactions		-
Short / (Excess)	**-0.18**	**-0.42**
Opening B/F - Short / (Excess)	-0.42	
Net C/F - Short / (Excess)	**-0.60**	**-0.42**

Other Disclosures related to CSR

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year.	-	-
The total of previous years' shortfall amounts	-	-
Nature of CSR Activities undetaken	Donation to approved charitable trusts	Donation to approved charitable trusts

56 CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value . The Company's overall strategy remains unchanged from previous year The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds.. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements The Company monitors capital on the basis of the net debt to equity ratio The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments Equity comprises share capital and free reserves. The following table summarizes the capital of the Company

Particulars	As at 31st March, 2024	As at 31st March, 2023
Share Capital	4287.46	4287.46
Free Reserves	4329.18	1934.12
Equity (A)	**8616.64**	**6221.58**
Cash & Cash Equivalents	37.15	49.67
Short Term Investments	-	-
Total Cash (B)	**37.15**	**49.67**
Short-term Borrowings	3879.70	1802.53
Long-Term Borrowings	461.44	616.09
Total Debt (C)	**4341.14**	**2418.62**
Net Debt (D=(C-B))	**4303.98**	**2368.95**
Net Debt to Equity Ratio (E=D/A)	**0.50**	**0.38**

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets terms and conditions attached to the interest-bearing loans and borrowings that define capital structure requirements

57 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Income		
Export of Goods / Services	4.39	34.12
Expenditure		
Purchase of Goods / Services	5334.05	1278.95
Purchase of Capital Goods	249.46	-
Component & Spares		-

58 REVENUE FROM CONTRACTS WITH CUSTOMERS

(₹ In Lakhs)

a) The disaggregation of the Group Revenue from Customers are given below :

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sale of Products		
Sale of Products	22066.52	21383.29
Sale of Services	1170.44	611.55
Sale of EPC Contracts (Solar)	2368.46	906.91
Other Operating Revenues	18.44	21.74
Financing Component - Retention [Ind AS]	-25.17	-
Total Revenue from Contracts with Customers	**25598.68**	**22923.49**

Timing of Revenue Recognition	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Goods/Services Transferred at a Point of Time	22066.52	21383.29
Goods/Services Transferred Over Time	3532.16	1540.20
Total Revenue from Contracts with Customers	**25598.68**	**22923.49**

Geographical disaggregation	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sales In India	25592.79	22892.27
Sales Outside India	5.89	31.22
Total	**25598.68**	**22923.49**

Revenue Disaggregation by Contract Type	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Fixed Price Contracts	25598.68	22923.49
Cost Plus Contracts	-	-
Total	**25598.68**	**22923.49**

Revenue Disaggregation by Customer Type	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Government	7793.14	5314.28
Non-Government	17830.71	17609.21
Others	-25.17	-
Total	**25598.68**	**22923.49**

b) Contract Balances

Particulars	As at 31st March 2024	As at 31st March 2023
Trade Receivables	8874.54	6652.51
Contract Assets	107.66	52.27
Contract Liabilities	-	-

Trade Receivables are non-interest bearing and are generally due within 90 days except retention and other money held by the customers as per the governing terms and conditions of the contracts. Contract assets includes Unbilled Revenue as receipt of customer's acceptance is conditional upon successful completion of milestone and certification of installation. Contract Liabilities include advance revenues received from customers i.e. excess of Billing over the Revenue

c) Reconciliation of the amount of Revenue from Operations Recognised in the Statement of Profit and Loss with the Contract Prices:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Revenue As per Contract Price	**25568.46**	**22905.36**
Adjustments:		
Less: Opening Balance of Contract Assets	**52.27**	**34.14**
Add: Closing Balance of Contract Assets	**107.66**	**52.27**
Add: Opening Balance of Contract Liabilities	-	-
Less: Closing Balance of Contract Liabilities	-	-
Less: Financing Component (Ind AS)	**25.17**	-
Revenue as per Statement of Profit & Loss	**25598.68**	**22923.49**

59 EMPLOYEE BENEFITS

(₹ in Lakhs)

As per Indian Accounting Standard (Ind AS 19) "Employee benefits", the disclosures as defined are given below:

A. Defined Contribution Plans:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Employer's Contribution to Provident Fund	39.18	50.73
Employer's Contribution to Employee State Insurance Fund	2.28	8.79

B. Defined Benefit Plans

(I) Gratuity Benefits

1.1 (a) Change in Present Value of Obligation during the Period

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Defined Benefit Obligation, Beginning of Period	**87.16**	**76.14**
Interest Cost	6.54	5.52
Current Service Cost	17.10	15.95
Past Service Cost	-	-
Actual Benefits Paid	-	-2.13
Actuarial (Gains)/Losses	1.04	-8.31
Defined Benefit Obligation, End of Period	**111.84**	**87.16**

1.1 (b) Bifurcation of total Actuarial (gain) / loss on liabilities

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Actuarial gain / losses from changes in Demographics assumptions (morta	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	2.07	-1.71
Experience Adjustment (gain)/ loss for Plan liabilities	-1.03	-6.61
Total amount recognized in other comprehensive income	**1.04**	**-8.31**

1.2 Key results (The amount to be recognized in the Balance Sheet):

Particulars	As at 31st March, 2024	As at 31st March, 2023
Present Value of Obligation at the end of Period	111.84	87.16
Fair value of plan assets at end of Period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	111.84	87.16
Funded Status - Surplus/ (Deficit)	**-111.84**	**-87.16**

1.3 (a) Expense recognised during the year in the Statement of Profit and Loss

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest Cost	6.54	5.52
Current Service Cost	17.10	15.95
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Total Expense/(Income) included in "Employee benefit Expense"	**23.64**	**21.47**

1.3 (b) Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Amount recognised in OCI, Beginning of period	**-38.29**	**-29.98**
Actuarial (Gains)/Losses - Obligation	1.04	-8.31
Actuarial (Gains)/Losses - Plan Asset	-	-
Total Actuarial (Gains)/Losses	**1.04**	**-8.31**
Cumulative total Actuarial (Gains)/Losses - C/F	**-37.25**	**-38.29**

1.3 (c) Net Interest Costs

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest cost on defined benefit Obligatoin	6.54	5.52
Interest income on plan assets	-	-
Net interest cost (Income)	**6.54**	**5.52**

1.4 Experience Adjustment

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Experience Adjustment (Gain) /loss for Plan liabilities	-1.03	-6.61
Experience Adjustment Gain / (loss) for Plan assets	-	-

2.1 Summary of membership data at the date of valuation and statistics based thereon

Particulars	As at 31st March, 2024	As at 31st March, 2023
Number of Employees	170	200
Total monthly Salary (in Lakhs)	39.00	39.31
Average Past Service (Years)	4.8	3.8
Average Future Service (Years)	21.6	23.9
Average Age (Years)	38.4	36.1
Weighted Average Duration (based onDCFs) in years	16	18
Average Monthly Salary (in Lakhs)	0.23	0.20
Expected Future Service taking into account Decrements (Years)		15

2.2 Actuarial Assumptions

Discount Rate (per annum)	7.25%	7.50%
Salary Escalation rate (per annum)	6%	6%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal Rate (Per annum)	5%	5%

2.3 Benefits Valued

Normal Retirement Age	60 Years	60 Years
Salary	Last Drawn Qualifying Salary	Last Drawn Qualifying Salary
Vesting Period	5 Years of Service	5 Years of Service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr).	15/26 * Salary * Past Service (yr).
Benefits on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	20.00	20.00

2.4 Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current Liability (Short Term)	16.16	10.26
Non Current Liability (Long Term)	95.68	76.90
Liability/(Asset) recognised in the Balance Sheet	**111.84**	**87.16**

2.5 Effect of plan on entity's future cash flows

(a): Funding arrangements and funding policy - NOT APPLICABLE

(b): Expected contribution during the next annual reporting period

Company's best estimate of Contribution during next year	**9.18**	**19.42**

(c): Maturity profile of defined benefit obligation: Weighted Average

Weighted average duration (based on DCFs) in years	**17**	**18**

(d): Maturity Profile of Defined Benefit Obligation: Weight Average as at 31st March, 2024

1 Apr 2024 to 31 Mar 2025	16.16
1 Apr 2025 to 31 Mar 2026	2.04
1 Apr 2026 to 31 Mar 2027	2.24
1 Apr 2027 to 31 Mar 2028	2.47
1 Apr 2028 to 31 Mar 2029	6.86
1 Apr 2029 Onwards	82.07

2.6 Projection for next period:

Best estimate for contribution during next period	**9.18**	**19.42**

2.7 Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Particulars	As at 31st March, 2024
Defined Benefit Obligation (Base)	₹111.84 Lakhs@Salary Increase Rate:6% & Discount rate:7.25%
Liability with x% increase in Discount Rate	₹ 102.49 Lakhs;x=1.00% [Change (8)%]
Liability with x% decrease in Discount Rate	₹ 122.77 Lakhs;x=1% [Change 10%]
Liability with x% increase in Salary Growth Rate	₹ 122.80 Lakhs;x=1% [Change 10%]
Liability with x% decrease in Salary Growth Rate	₹ 102.30 Lakhs;x=1.00% [Change (9)%]
Liability with x% increase in withdrawal Rate	₹ 112.36 Lakhs;x=1.00% [Change 0%]
Liability with x% decrease in withdrawal Rate	₹ 111.20 Lakhs;x=1.00% [Change (1)%]

2.8 Reconciliation of amounts in Balance Sheet

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Opening Balance Sheet (Asset)/Liability	87.16	76.14
Total Expense/(Income) recognised in P&L	23.64	21.47
OCI- Actuarial (gain)/ loss-Total current period	1.04	-8.31
Benefits Paid (If any)	-	-2.13
Closing gross defined benefit liability/ (asset)	**111.84**	**87.16**

3.1 In preparing this report we have heavily relied on the completeness and accuracy of the information, data and assumptions provided to us orally and in writing by or on behalf of the Company and its advisors. We have not completed any detailed validation checks/investigation on the information, data and assumptions provided, however preliminary broad consistency is viewed in respect of data. As compared to previous valuation assumptions, changes, if any, may be due to change in yield to government bonds/change in entity's long term views for future.

3.2 This report is based on going concern basis and as per requirements of Accounting Standard mentioned above and its application to the Plan. These results should not be used for any other purpose. In particular this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels and hence results will not hold good incase company is closed or mass attrition. This report is provided solely for the company use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or provided to any third whatsoever is accepted by me for any consequences arising from any third party relying on this report or any advice relating to its contents. In any case, irrespective of vendor agreement etc. liability of undersigned towards entity or anyone is strictly limited to the billed amount for this report. The Company may provide copy of this Report to its auditors along with rules of the plan, but I make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the company or its auditors in this regard. The company should draw them provisions of this paragraph to the attention of its auditors.

4.1 Principal assumptions are discount rate and salary increase. The discount rate is based upon the yield on govt bonds and the salary increase should take account inflation, seniority, promotion and other relevant factors. However no explicit allowance is used for disability. As per Accounting Standard, selection ofappropriate assumption is responsibility of the entity. Though entity has been advised on the suitability wherever applicable, the report is based on assumptions finalized by the entity (after considering long term view entity might have considered these assumptions prudent).

Risk Factors: Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability/expenses and OCI if any.

4.2 Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table. Rates at specimen ages are tabulated below:

Age (Years)	Rates
20	0.000924
25	0.000931
30	0.000977
35	0.001202
40	0.00168
45	0.002579
50	0.004436
55	0.007513
60	0.011162

5. Projected Unit Credit (PUC) Method: is used to assess the plan liabilities, including those related to death-in-service and incapacity benefits. Under this method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plans accrual formula and service as of the beginning or end of the year, but using final compensation, projected to the age at which the employee is assumed to exit. The plan liability is actuarial present value of the projected accrued benefits as on date of valuation.

60 FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a orderly transaction between willing parties, other than in a forced or liquidation sale

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.

Accordingly, fair value of such instruments is not materially different from their carrying amounts. The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Fair value measurement hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

(₹ in Lakhs)

Particulars	Level	Carrying Values		Fair Values	
		As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Financial Assets					
At Amortised Cost					
Trade Receivables		8982.20	6704.77	8982.20	6704.77
Cash & Bank Balances		58.48	58.33	58.48	58.33
Other Financial Assets		2112.03	1957.77	2112.03	1957.77
Investment in Subsidiaries	Level 3	345.78	345.78	345.78	345.78
At FVPTL					
Other Unquoted Equity Instruments	Level 3	-	-	-	-
Other Investments	Level 1	0.15	0.15	0.15	0.15
Loans	Level 3	50.44	40.15	50.44	40.15
Other Financial Assets	Level 3	-	-	-	-
Financial Liabilities					
At Amortised Cost					
Borrowings		4341.14	2418.62	4341.14	2418.62
Other Financial Liabilities		124.30	25.31	124.30	25.31
Trade Payables		6286.58	5379.00	6286.58	5379.00
At FVPTL					
Other Financial Liabilities	-	-	-	-	-

61 PENDING REGISTRATION OR MODIFICATION OR SATISFACTION OF CHARGE WHICH REQUIRED TO BE FILED WITH ROC

There are following pending registration or modification or satisfaction of Charge at the end of reporting periods, which required to filed with Registrar of Companies:

As at 31st March, 2024 and 31st March, 2023 (₹ in Lakhs)

Lender Name	Sanction Date	Sanction Amount	Type of Loan	Security	Pending 'Charge Type'
Axis Bank Limited	16/03/2022	14.61	Vehicle Loan	Vehicle	Registration
BMW Financial Services Limited	30/03/2022	50.75	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	09/05/2022	8.20	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	09/05/2022	8.45	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	09/05/2022	8.45	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	09/05/2022	8.45	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	30/11/2022	19.99	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	28/09/2022	17.40	Vehicle Loan	Vehicle	Registration

Note-1: ICICI Bank Limited has given clarification that as bank has created hypothecation on the registration copy of the vehicles and hence did not insist to register the charge with the Registrar of Companies on the vehicle hypothecated with it through Registration Certificate Copy.

62 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements.

Events Required Adjustment in Financial Statements : Nil

Non-Adjusting Events:

Company has claimed for exemption under Sr. No. 4 of Custom Notification 25/2005 dt. 01.03.2005. However, Customs Department raised objection that the exemption under Sr. No. 4 of Notification 25/2005 dt. 01.03.2005 is available on CTH 8504 40 'Static converter for Automatic Data Processing' (ADP) machines and units thereof and telecommunication apparatus, other than static converters for cellular mobile phones' and thus, exemption can't be given on imported goods which customs dept. has categorised as 'UPS for computer'.

Customs Dept has issued SCN stating that 'UPS is not a static converter for ADP machines and Why the Differential Duty Rs. 39,96,770/- should not imposed on subject BOE along with applicable interest and Penalty. Similarly, why differential duty of Rs. 24,90,69,766 with Interest should not be imposed on the past imports

Company is in process to file submission against those SCNs that the SCN has tried to raise the issues already settled by the higher appellate forum in favour of the assessee in various cases like Cyber Power System India Vs. CC - 2024 , Luminous Electronics Vs. CCE – 2001 (129); Socomec Innovative Power Solutions Vs. CC wherein it is held that UPS are eligible for the complete exemption of Notification No. 25/2005-Cus., as the same is capable of being used with ADP machine and that the UPS is a static converter correctly classifiable under sub-Heading 8504.40. It is a settled law that doctrine of judicial discipline requires lower authority to comply with the directions of higher courts / tribunal which has not been done in this SCN.

63 OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988.

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency

(iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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.

(iv) The Company has 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

(v) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period 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).

(vi) The Company is in compliance with number of layers of companies, as prescribed under clause (87)of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

(vii) The Company has not revalued its Property, Plant and Equipment and ROU Assets during the year, hence, regulatory information disclosure is not applicable for the Company

(viii) The Company has not revalued its Intangible Assets during the year, hence, regulatory information disclosure is not applicable for the Company.

(ix) Additional Regulatory Information pursuant to amendment in Schedule III of the Companies Act, 2013 dated 24.03.2021 has been given to the extent applicable to the Company.

(x) The Company does not have any relationship/transaction with Struckoff Companies and has not entered into any transactions with struckoff companies in the current and previous reporting period.

(xi) The Company is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.

64 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

65 MISCELLANEOUS:

(i) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.

(ii) Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof.

(iii) Absolute amounts less than Rs.500 are appearing in the Financial Statements as "0.00" due to presentation in Lakhs.

Report on Audit of Consolidated Financial Statements

FINANCIAL YEAR 2023-2024

PROSTARM

Power Redefined



ProstarM Info Systems Limited

Navi Mumbai

Audited By

Mansaka Ravi & Associates

Chartered Accountants

Nerul, Navi Mumbai

+91 98297 53254

Mansaka Ravi & Associates
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To

The Members of
PROSTARM INFO SYSTEMS LIMITED,
NAVI MUMBAI (MH)

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **PROSTARM INFO SYSTEMS LIMITED** *("the Parent Company")* and its subsidiary (the Parent Company and its subsidiary together referred to as "Group") which comprise the **Consolidated Balance Sheet as at March 31, 2024,** 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 for the **year then ended March 31, 2024** and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group **as at March 31, 2024,** the consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated 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 specified under section 143(10) of the Act (SAs). 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 audit 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 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Chartered Accountants
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Key Audit Matter	Auditor's Response
Allowance for Credit Losses: The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Group exercises significant judgment in calculating the expected credit losses and actual bad debts	**Principal Audit Procedure:** Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among other Evaluated the accounting policy of the Group Inquired with Board of Directors regarding status of collectability of the receivables Completeness and accuracy of information used in the estimation of probability of default Discussion of material outstanding balances with the Audit Committee. Assessed the information/assumptions used by the Management to determine the expected credit losses by considering credit risk of the customers, cash collection, and the level of credit loss over time. Based on our work as stated above, no significant deviations were observed in respect of management's assessment of valuation of trade receivables.
Inventories: Inventories (INR 5853.91 Lacs) constitute 36.79% of the current assets of the Group as at 31st March, 2024. The Inventory is lying at various locations. The inventory is valued at the lower of cost and net realizable value. We considered the value of the inventory of as a key audit matter given the relative size of the balance in the Consolidated financial statements.	• Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations • Sample testing of management physical verification report. • We observe the physical verification process at locations of financial significance • Assess the appropriateness and completeness of the related disclosure in the Group's Consolidated Financial Statements. • We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory. • Assessing the appropriateness of Group's accounting policy for valuation of stock-in- trade and compliance of the policy with the

	requirements of the prevailing accounting standards • We considered various factors including the actual selling price prevailing around and subsequent to the period end. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value. For the purpose of determination of cost, the Group has considered the prevailing market situation. • Based on the above procedures performed, the management's determination of the net realizable value of the inventory as at the half year end and comparison with cost for valuation of inventory is considered to be reasonable. Conclusion: Our procedures did not identify any material exceptions.

Information other than the Consolidated Financial Statements and Auditors' Report thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Consolidated financial statements and 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and 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 also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Parent Company, as aforesaid.

In preparing the Consolidated Financial Statements respective board of directors of the companies included in the Group are responsible for assessing the respective entity'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 Board of Directors of the Parent Company either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so

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

Auditors' Responsibilities for the audit of 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 Standards of Auditing (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 skepticism throughout the audit. We also.

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company and its Subsidiary Company which are companies incorporated in India, 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 Group'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 Consol dated 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 within the Group to express an opinion on the consolidated financial statements

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.

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

Report on Other Legal and Regulatory Requirements

As required by the paragraph 3(xxi) of Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order, 2020 reports of the companies included in the consolidated financial statements as mentioned in other matters paragraph above.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements.

b) In our opinion, proper books of account as required by law have been kept by the respective Companies of the Group 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 and Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion the aforesaid Consolidated 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 written representations received from the directors of the Parent Company as on **March 31, 2024** and taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Parent Company and its

subsidiary is disqualified as on **March 31, 2024** 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 of the Parent Company and its subsidiary and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on statutory audit report of the subsidiary, the remuneration paid by the Parent Company and its subsidiary to its directors during the half year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its Consolidated financial statements

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

i) a) The management of the Parent Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and other auditors of such subsidiaries respectively 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 Parent Company and any of such subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The respective management of the Parent Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Parent Company and any of such subsidiary from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiary 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 from or on behalf of the Ultimate Beneficiaries, and

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c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.

j) The Group is not declared or paid any dividend during the year and has not proposed final dividend during the year.

k) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination, the Parent Company, has used accounting software for maintaining its books of account for which has feature of capturing details of modifications but not enabled a feature of recording audit trail (edit log) facility and was in process of implementation thereof and Subsidiary Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software except the Parent Company, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 24410816BKCZMC4013
Place: Navi Mumbai
Date: 26th August, 2024

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Annexure "A" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of the Prostarm Info Systems Limited

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the Parent Company as of and for the year ended **March 31, 2024**, we have audited the Internal financial controls over financial reporting of Prostarm Info Systems Limited ("the Parent Company") and its subsidiary (together refered to as the "Group") whose audit reports have been provided to us and which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Group which are companies incorporated in India, responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 the respective companies policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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 the 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. 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 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 Parent Company's and its subsidiary's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls over Financial Reporting

A Parent Company's and its subsidiary'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 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 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 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 and in consideration of the statutory audit report of its subsidiary, to the best of our information and according to the explanations given to us, the Parent Company and its subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2024**, based on the internal control over financial reporting criteria established by the respective companies 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.

Other Matter

Broadly, the Parent Company and its Subsidiary is having most of the system in place as required for the compliance of Internal Financial Control on Financial Reporting. However, those systems or controls are having scope of further improvement. Also, the Parent Company and its Subsidiary have not documented adequately the internal financial controls based on Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Based on our audit procedures, we are of the opinion that the Parent Company and its Subsidiary have rectified all observations of our audit on internal

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financial controls over financial reporting to ensure that they do not significantly affect financial reporting on Internal Financial Control as on Balance Sheet date.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 24410816BKCZMC4013
Place: Navi Mumbai
Date: 26th August, 2024

PROSTARM INFO SYSTEMS LIMITED
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CIN: U31900MH2008PLC368540

CONSOLIDATED BALANCE SHEET AS AT 31st March, 2024

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5	646.59	407.67
(b) Capital Work-in-Progress	6	949.22	897.31
(c) Investment Property	7	278.71	265.42
(d) Intangible Assets	8	216.40	249.03
(e) Intangible Assets under Development		-	-
(f) Right-of-Use Assets	9	438.55	39.78
(g) Financial Assets		-	
(i) Trade Receivables	10	-	-
(ii) Investments	11	0.25	0.25
(iii) Loans		-	-
(iv)Other financial assets	12	1355.57	1428.18
(h) Deferred Tax Assets (Net)	41	184.84	144.82
(i) Other non-current assets	13	11.00	11.00
Total Non-Current Assets		**4081.24**	**3443.45**
Current Assets			
(a) Inventories	14	5853.91	4168.72
(b) Financial Assets			
(i) Investments	15	-	-
(ii) Trade receivables	16	9030.29	6672.73
(iii) Cash and cash equivalents	17	53.30	77.04
(iv) Bank balances other than (iii) above	18	21.33	8.66
(v) Loans	19	50.44	40.15
(vi) Others current financial assets	20	716.07	499.49
(c) Current Tax Asset (Net)	30B	1.77	1.49
(d) Other Current Assets	21	496.14	626.94
Total Current Assets		**16223.26**	**12095.21**
Total Assets		**20304.50**	**15538.67**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	22	4287.46	4287.46
(b) Other Equity	23	4145.53	1813.21
Equity attributable to owners of the Parent Company		**8432.99**	**6100.67**
Non-Controlling Interest		163.83	216.06
Total Equity		**8596.83**	**6316.73**

Continued...

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	461.44	671.09
(ia) Lease Liabilities	31	-	5.72
(i) Other financial liabilities	25A	2.00	-
(b) Provisions	25	123.68	96.30
(c) Other Non-Current Liabilities		-	-
Total Non-Current Liabilities		**587.12**	**773.11**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	3679.70	1802.53
(ia) Lease Liabilities	31	5.82	5.61
(ii) Trade payables		-	-
(a) total outstanding dues of micro enterprises and small enterprises; and	27	448.54	716.72
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	27	5981.10	5263.69
(iii) Other Financial Liabilities	28	232.54	86.53
(b) Other Current Liabilities	29	261.51	379.46
(c) Provisions	25	62.48	44.45
(d) Current Tax Liabilities (Net)	30A	248.88	149.64
Total Current Liabilities		**11120.56**	**8448.83**
Total Equity and Liabilities		**20304.50**	**15538.67**

The accompanying Notes 1 to 62 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 24410816BKCZMC4013

Place : Navi Mumbai
Dated : 26th August, 2024

For and on behalf of the Board of Directors of
Prostarm Info Systems Limited

(Vikas Shyamsunder Agarwal)
Whole Time Director
DIN:- 01940262

(Tapan Ghose)
Chairman & Managing Director
DIN:- 01739231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ8591L

(Kiran Mukadam)
Company Secretary
M. No. A27627

PROSTARM INFO SYSTEMS LIMITED
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CIN: U31900MH2008PLC368540

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2024

(₹ in Lakhs)

Particulars		Notes	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
I.	Revenue from operations	32	25787.04	23035.32
II.	Other Income	33	136.21	198.32
III.	**Total Income (I+II)**		**25923.25**	**23234.65**
IV	**Expenses:**			
	Cost of Material Consumed	34	9429.20	6241.18
	Purchase of Stock-in-Trade	35	10000.22	11026.52
	Changes in inventories of finished goods, work in progress and stock-in-trade	36	-1370.06	-626.14
	Employee benefit expenses	37	2076.23	1699.42
	Finance Costs	38	374.14	131.16
	Depreciation and amortization expenses	39	192.92	164.80
	Other Expenses	40	2125.32	1978.87
	Total Expenses		**22827.96**	**20615.82**
V.	**Profit before exceptional and extraordinary items and tax (III - IV)**		**3095.29**	**2618.83**
VI.	Exceptional Items		-	-
VII	**Profit before extraordinary items and tax (V - VI)**		**3095.29**	**2618.83**
VIII.	Extraordinary Items			-
IX	**Profit Before Taxes (VII-VIII)**		**3095.29**	**2618.83**
X.	**Tax expense:**			
	(1) Current tax	41	851.93	748.27
	(2) Tax of Earlier Years	41	-	3.78
	(3) Deferred tax	41	-39.18	-63.99
XI.	**Profit/(Loss) for the period (IX-X)**		**2282.53**	**1930.77**
	Attributable to:			
	Owners of the Parent Company		**2333.95**	**1994.79**
	Non-controlling interest		**-51.41**	**-64.02**

Continue. .

Particulars	Notes	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
XII. **Other Comprehensive Income**			
(i) Items that will not be reclassified to profit or loss		-	-
Fair value gain loss on Investments		-	-
Remeasurement gain/(loss) on defined benefit obligation	55	-2.28	8.62
(ii) Income tax relating to items that will not be reclassified to profit or loss	41	0.84	-2.17
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income (XII)		**-2.43**	**6.45**
Attributable to:			
Owners of the Parent Company		-1.62	6.34
Non-Controlling Interests		-0.81	0.11
XIII **Total Comprehensive Income for the period (XI+XII)**		**2280.10**	**1937.22**
Attributable to:			
Owners of the Parent Company		**2332.32**	**2001.13**
Non-Controlling Interests		**-52.22**	**-63.91**
XIV. Earning per equity share:			
(1) Basic (In ₹)	43	5.44	4.65
(2) Diluted (In ₹)	43	5.44	4.65

The accompanying Notes 1 to 62 form an integral part of the Financial Statements.
As per our separate report of even date attached

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 0150230

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 24410816BKCZMC4013

Place : Navi Mumbai
Dated : 26th August, 2024

(Vikas Shyamsunder Agarwal)
Whole Time Director
DIN:- 01940262

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Tapan Ghose)
Chairman & Managing Director
DIN:- 01739231

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ8591L

(Kiran Mukadam)
Company Secretary
M. No. A27627

PROSTARM

PROSTARM INFO SYSTEMS LIMITED

Plot No.. EL 79, Electronic Zone, TTC, MIDC, Mahape, Navi Mumbai, Thane, Maharashtra, India, 400710
Email: sales@Prostarm.com, Website: www.Prostarm.com, Tel: +91 22 49856522/26
CIN: U31900MH2006PLC368540

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ In Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
A Cash Flow From Operating Activities		
Net Profit / (Loss) Before Tax	**3095.29**	**2618.83**
Adjustments For :		
Depreciation and Amortization Expense	192.92	164.80
Interest Income	-75.47	-55.72
Interest Expenses	325.26	107.50
Interest on Leased Liabilities	0.87	1.08
Profit on Sale of Investments	-	-4.34
Provision for Warranty	44.13	42.77
Profit on sale of Property, Plant & Equipment (PPE)	-2.01	0.52
Remeasurment of defined benefit plan	28.36	23.80
Operating Profit Before Working Capital Changes	**3609.35**	**2898.29**
Adjustments For :		
Decrease/(Increase) in other financial assets	-143.47	-857.18
Decrease/(Increase) in other assets	130.51	1.83
Decrease/(Increase) in Loans	-10.29	-13.44
Decrease/(Increase) in inventories	-1585.20	-1001.37
Decrease/(Increase) in trade receivables	-2357.56	-3182.91
Decrease/(Increase) in bank balance	-12.67	-3.66
(Decrease)/Increase in Trade payables	449.22	1218.64
(Decrease)/Increase in other financial liabilities	148.00	-64.53
(Decrease)/Increase in other liabilities	117.95	268.20
Lease Rental Payments	-6.58	7.20
Retirement Benefits Paid (Out of Provisions)	-2.03	-2.13
Warranty Expenses Actually Paid	29.10	-
Increase/Decrease in Provisions	0.83	2.95
Cash Generated From Operations	**-27.49**	**-747.90**
Less: Direct Taxes Paid net of refund (including TDS)	757.68	602.41
Net Cash flow From Operating Activities	**-785.18**	**-1350.31**
B Cash Flow From Investing Activities		
Addition in Property, Plant & Equipment (PPE)	-380.51	-275.92
(Increase)/Decrease in CWIP	-52.01	-897.31
Addition to ROU Assets	408.40	-
Addition in Intangible Assets	-4.00	19.03
Addition / Deletion in Investment Properties	-19.18	-28.78
Proceeds from Sale of PPE	2.82	5.00
Interest Incomes	75.47	55.72
Purchase of Investments	-	-554.07
Proceeds from Sale of Investments	-	876.29
Net Cash (Used) In/From Investing Activities	**-785.82**	**-834.80**
C Cash Flow From Financing Activities		
(Decrease)/Increase in Non-Current Borrowings	-209.65	460.48
(Decrease)/Increase in Current Borrowings	2077.17	1709.84
Interest paid on Borrowings	-325.26	-107.50
Net Cash (Used) In/From Financing Activities	**1542.26**	**2062.82**

Particulars		For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
D	Net Change in Cash & Cash Equivalents(A+B+C)	-23.74	-122.29
E	Cash & Cash Equivalents at beginning of the year	77.04	199.33
F	Cash & Cash Equivalents at end of the year	53.30	77.04

Components of Cash & Cash Equivalents	As at 31st March, 2024	As at 31st March, 2023
Cash on Hand	6.64	18.21
In Term Deposits with maturity less than 3 months at inception	0.92	-
Balance with Banks in Current Accounts	45.75	58.83
Cheques, Drafts on Hand	-	-

Reconciliation of Liabilities arising from Financing Activities - For the period April 23- March 24

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	811.41	-182.48	0.49	629.90
Short-term Borrowings Secured	1607.21	2102.60	-	3709.81
Short-term Borrowings Unsecured	1.37	0.05	-	1.42
Total financial liabilities	**2419.99**	**1920.65**	**0.49**	**4341.14**

Reconciliation of Liabilities arising from Financing Activities - For period April 22- March 23

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	303.30	507.44	0.67	811.41
Short-term Borrowings Secured	-	1607.21	-	1607.21
Short-term Borrowings Unsecured	1.77	-0.40	-	1.37
Total financial liabilities	**305.06**	**2114.26**	**0.67**	**2419.99**

Note:1 The Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".

Note-2: Previous Year's figures have been recasted/regrouped, wherever necessary, to conform to the current year's figures.

The accompanying Notes 1 to 62 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Manseka Ravi & Associates
Chartered Accountants
FRN :- 0150230

(CA Ravi Manseka)
Partner
M. No. 410816
UDIN: 24410816BKCZMC4013

Place : Navi Mumbai
Dated : 26th August, 2024

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

(Vikas Shyamsunder Agarwal)
Whole Time Director
DIN:- 01940262

(Tapan Ghosh)
Chairman & Managing Director
DIN:- 01739231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ8591L

(Kiran Mukadam)
Company Secretary
M. No. A27627

PROSTARM INFO SYSTEMS LIMITED
Plot No.. EL 79, Electronic Zone, TTC, MIDC, Mahape, Navi Mumbai, Thane, Maharashtra, India, 400710
Email: sales@Prostarm.com, Website: www.Prostarm.com, Tel: +91 22 49856522/26
CIN: U31900MH2008PLC368540

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

A. Equity Share Capital

(₹ in Lakhs)

(1) Current reporting period (As on 31st March, 2024)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
4287.46	-	4287.46	-	4287.46

(2) Previous reporting period (As on 31st March, 2023)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
908.36	-	908.36	3379.10	4287.46

B Other Equity

(₹ in Lakhs)

(1) Current reporting period (As on 31st March, 2024)

Particulars	Attributable to Equity Shareholders of the Parent				Non-Controlling Interest	Total
	Reserves & Surpluses		Other Comprehensive Income	Total Other Equity		
	Security Premium	Retained Earnings				
Balance at the beginning of the current reporting period	-	1784.44	28.77	1813.21	216.06	2029.27
Changes in accounting policy or prior period errors	-	-		-	-	-
Restated balance at the beginning of the current reporting period	-	1784.44	28.77	1813.21	216.06	2029.27
Total Comprehensive Income for the year	-	2383.95	-1.62	2382.32	-52.22	2280.10
Dividends	-	-		-	-	-
Transfer to retained earnings	-	-		-	-	-
Capitalisation by Issue of Bonus Shares	-	-		-	-	-
Balance at the end of the current reporting period	-	4168.39	27.15	4195.53	163.83	4309.37

Continue...

(2) Previous reporting period (As on 31st March, 2023)

Particulars	Attributable to Equity Shareholders of the Parent				Non-Controlling Interest	Total
	Reserves & Surpluses		Other Comprehensive Income	Total Other Equity		
	Security Premium	Retained Earnings				
Balance at the beginning of the current reporting period	-	3168.75	22.43	3191.18	279.96	3471.15
Changes in accounting policy or prior period errors	-	-		-	-	-
Restated balance at the beginning of the current reporting period	-	3168.75	22.43	3191.18	279.96	3471.15
Total Comprehensive Income for the year	-	1994.79	6.34	2001.13	-63.91	1937.22
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Capitalisation by Issue of Bonus Shares	-	-3379.10	-	-3379.10	-	-3379.10
Balance at the end of the current reporting period	-	1784.44	28.77	1813.21	216.06	2029.27

The accompanying Notes 1 to 62 form an integral part of the Financial Statements.
As per our separate report of even date attached

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 24410816BKCZMC4013

(Vikas Shyamsunder Agarwal)
Whole Time Director
DIN: 01940262

(Tapan Ghosh)
Chairman & Managing Director
DIN:- 01739231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ0591L

(Kiran Mukadam)
Company Secretary
M. No. A27627

Place : Navi Mumbai
Dated : 26th August, 2024

1. (a) COMPANY OVERVIEW

PROSTARM INFO SYSTEMS LIMITED (erstwhile Prostar Microtronics Power Systems Pvt Ltd), ("the Company" or "Parent Company"), conceptualized and promoted by a group of entrepreneurs having varied experience in the field of Power Electronics, got incorporated on 11th January 2008 with the primary objective to provide power back up and power conditioning solutions to critical loads like ATMs, Banks, Financial Services & Insurance institutions, Corporates, Academic Institutes, Hospitals/ Diagnostic centres, Railways, Engineering, Oil & Gas, Power, Airport, Defense and other companies in PSU and private sector.

Prostarm Info Systems Limited, over the span of 15 decades, have graduated into a multifaceted entity specializing in providing total solutions & services related to Power back-up and Power Conditioning products. The company currently deals in Uninterrupted Power Supply (UPS) Systems, Solar PV Power Plants, Batteries, lithium-ion battery packs, Servo Controlled Voltage Stabilizers, Solar Hybrid Inverter & other related power conditioning equipment. The Group expanded its manufacturing capabilities in Mumbai and Pune including the manufacturing facility of its subsidiary during financial year 2022-23. In Mumbai, the State of Art Plant & Machineries installed for multi folding the production capacity of lithium-ion battery packs.

The company has its registered office located at Plot No. EL-79, Electronic Zone, TTC, MIDC, Mahape, Navi Mumbai, Thane, Maharashtra, India, 400710.

The Consolidated financial statements for the year ended 31st March, 2024 were authorized and approved for issue by the Board of Directors on 26th August, 2024.

1 (b) GROUP INFORMATION

Information about subsidiaries

The Consolidated Financial Statements of the Group includes subsidiaries listed in the table below:

Name of Company (Nature of Business)	CIN No.	Country of Incor-poration	Ownership interest as on March 31, 2024	Ownership interest as on March 31, 2023
Prostarm Energy Systems Private Limited (Manufacturer of Customized Power Electronic Solutions)	U29308PN2021 PTC202706	India	51%	51%

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

a. Basis of Preparation of Financial Statements

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

a) Certain Financial Assets and Liabilities (including derivative instruments), if any,

b) Defined Benefit Plans – Plan Assets, if any and

c) Equity settled Share Based Payments, if any

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

b. Basis of Measurement

The Consolidated Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs

c. Basis of consolidation

i) Subsidiaries

The consolidated financial statements include Prostarm Info Systems Limited and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power over the investee. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable are taken into account. The results of subsidiaries acquired or disposed of during the half year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate

Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying

amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance. Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind-AS 109 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

ii) Associates

Associates are those entities in which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control those policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity. The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting as described below.

iii) Equity method of accounting (equity accounted investees)

An interest in an associate or joint venture is accounted for using the equity method from the date in which the investee becomes an associate or a joint venture and are recognised initially at cost. The Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Company's share of profits or losses and equity movements of equity accounted investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture.

iv) **Business combination**

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standard.

d. Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

e. **Current v/s Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

b it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date, or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded,

c. it is due to be settled within 12 months after the reporting date; or

d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group considers its operating cycle to be within one year.

1. Functional and Presentation Currency

These Consolidated Financial Statements are prepared in Indian Rupee ("₹") which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals, except when otherwise indicated.

3. MATERIAL ACCOUNTING POLICIES

The Group has applied following accounting policies to all periods presented in the Consolidated Financial Statement

a) Property, Plant and Equipment [PPE]

(i) Definition

Property, plant and equipment are tangible items that:

(A) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

(B) are expected to be used during more than one period.

(ii) Recognition & Initial Measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met

(iii) Subsequent Measurement (depreciation and useful lives)

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met When significant parts of plant and equipment are required to be

replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013.

Depreciation on PPE sold, discarded or demolished during the period, if any, is being provided pro-rata up to the date on which such PPE are sold, discarded or demolished.

Leasehold land & building and improvements are amortized on the basis of duration and other terms of lease.

When parts of an item of Property, Plant and Equipment have different useful life, they are accounted for as separate items (Major components) and are depreciated over the useful life respectively.

Right-of-use Assets (Land & Building under operating Lease) is amortised on a straight-line basis over the period of respective lease term.

The residual values, useful lives and methods of depreciation of PPE are reviewed at the end of each financial year considering the physical condition of the PPE and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to quality for the definition of property plant equipment. Life of the spares has been considered to be 19 months. Residual value of 5% has been considered for all the spares capitalised. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

(iv) De-recognition

PPE are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition

b) Capital Work-in-Progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the

commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

c) Intangible Assets

(i) Recognition and initial measurement

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

(ii) Subsequent Measurement & Amortization

The useful lives of intangible assets are assessed as either finite or indefinite. The Group currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

(iii) De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised

d) Investment Properties

(i) Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

(ii) Subsequent Measurement & Amortization

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any, subsequently. Depreciation is provided from the date the assets are put

to use, on written down value method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013

Depreciation on Investment Properties sold, discarded or demolished during the period, if any, is being provided pro-rata up to the date on which such Investment Properties are sold, discarded or demolished.

Leasehold land & Building and improvements are amortised on the basis of duration and other terms of lease

The residual values, useful lives and methods of depreciation of Investment Properties are reviewed at the end of each financial year considering the physical condition of the Investment Properties and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

(iii) De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

e) Revenue Recognition

(i) Revenue from contract with customer is recognised, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services.

(ii) Group generally follows mercantile system of accounting and recognizes significant items of incomes on accrual basis. The revenues have been duly recognized in accordance with the provisions of Indian Accounting Standards – 115. However, some of expenditures are accounted for on the receipt of bill or invoice of the same which are not material.

(iii) Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing service tax, Goods & Service Tax (GST) and other applicable indirect taxes.

(iv) Service tax / Goods & Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the services by the service provider on behalf of the Government. Accordingly, it is excluded from revenue.

(v) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the Group and the revenue can be reliably measured with reliable certainty of realizing the consideration.

(vi) Unbilled income represents the value of services rendered but not yet been invoiced on the reporting date due to contractual terms.

f) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

Interest is accounted on accrual basis on overdue receivables.

g) Dividend Income

Dividend income is recognized when the right to receive dividend is established.

h) Leases

On March 30, 2019, ministry of corporate affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

On completion of evaluation of the effect of adoption of Ind AS 116, the Group is using the 'Modified Retrospective Approach' for transitioning to Ind AS 116 and took the cumulative adjustment to retained earnings on the date of initial application (April 1, 2019). The Group as elected certain available practical expedients on transition.

The Group has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

(i) Group as a lessee

The Group's lease asset classes primarily consist of leases for land and building. The Group, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contract existing and entered into on or after April 1, 2019 The Group has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value

assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

The Group recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. In the comparative period, lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss over the lease term.

The weighted average incremental borrowing rate applied to lease liabilities considered at 8% p.a.

(ii) Group as a lessor

Assets given under operating leases are included in investment properties. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and need to be measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight-line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

i) Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, cash in hand and short-term deposits, as defined above.

j) Taxation

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically

evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Sales Tax/ GST / VAT

Sales/ value added taxes paid on acquisition of assets or on incurring expenses are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

k) Inventories

Finished Goods-

Finished goods are valued at lower of cost or net realisable value. Cost includes direct materials and labour and a portion of manufacturing overhead based on normal operating capacity.Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Finished Goods are measured at First In First Out basis.

Raw Materials, WIP and Stores & Spares-

Raw materials, components, stores and spares and work-in progress are valued at cost. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components, stores and spares is determined on FIFO basis. Cost of Work in Progress is measured at First In First Out Basis.

Capital spares that qualifies the criteria of property, plant and equipment are recognised as PPE. Accordingly, the Group has capitalized spares having useful life of more than 12 months and corresponding depreciation is charged on them."

Stock-in-Trade

Inventories being stock-in-trade are valued at the lower of cost and net realisable value.

Cost of these inventories are determined on First In First Out basis

l) Employee Benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(ii) Post-employment benefits –

(a) Defined benefit plans – Gratuity

The Group has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and number of years of employment with Group. Presently the Group's gratuity plan is unfunded.

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 if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

(b) Defined Contribution Plans – Provident Fund & Employee State Insurance

Provident Fund, Pension Fund & Employee State Insurance (ESI) are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust, Regional Provident Fund Commissioner and Employee State Insurance Fund respectively are charged to the Statement of Profit and Loss.

(iii) Long-term Employee Benefits:-

Long-term employee benefits Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the obligation as at the Balance Sheet date. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

m) Earning Per Share

i) Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

ii) Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares

n) Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Group for which the amount or timing is uncertain. Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle

such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Provision for Warranty: The Group makes provision for the probable future liability on account of the warranty based on the estimation of the warranty claims/expenses that the Group expects to materialize in the future. The Group assesses the need and quantum of provision for warranty based on conditions prevailing at each year/period end.

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

p) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

q) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing

of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

r) Impairment of Non-Financial Assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life.

s) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

t) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(ii) **Subsequent measurement**

Subsequent measurement of financial assets is described below -

a. **Financial Assets (Debt instruments) at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

b. **Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met.

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c. **Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is

allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset.

Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to

track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

In other words, trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.
- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(B) Financial liabilities

(i) Initial Recognition & Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans & borrowings and payables, net of directly attributable transaction costs

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through statement of profit and loss

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financia liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are a so classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss.

However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through statement of profit and loss.

(ii) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Buyers Credit

The Group enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Group at a later date providing working capital timing benefits. These are normally settled up to twelve months (for raw materials) and up to 36 months (for project materials). Where these arrangements are for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit (under Trade and other payables). Where these arrangements are for project materials with a maturity up to 36 months, the economic substance of the transaction is determined to be financing in nature, and these are classified as projects buyers' credit within borrowings in the statement of financial position.

(iv) Financial liabilities – De-recognition

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

The difference in the respective carrying amounts is recognised in the statement of profit and loss

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. For more information on financial instruments Refer Note No. 56.

u) Investment in Subsidiaries, joint ventures and associates:

Subsidiary: A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.

Associate: Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.

Joint arrangement: A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

v) Foreign currency transactions

(i) Initial Recognition

In the Consolidated financial statements of the Group, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

(ii) Conversion

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

(iii) Exchange Differences

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

w) Dividend Distribution

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

x) Prior Period Items

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable a ong with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

y) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated financial statements are elaborated in Note No. 4.

4A CRITICAL ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting period end. Although these estimates and associated assumptions are based upon historical experiences and various other factors besides management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on a periodic basis. Any revision in the accounting estimates is recognised in the period in which the results are known/ materialise.

Significant judgments and key sources of estimation in applying accounting polices are as follows:

a) Property, plant and equipment and useful life of property, plant and equipment and intangible assets

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

b) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the consolidated financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 44).

c) Employee benefit expenses

Actuarial valuation for gratuity liability of the Group has been done by an independent actuarial valuer on the basis of data provided by the Group and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

d) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has determined that it can recognise deferred tax assets on the tax losses carried forward as it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Further details on taxes are disclosed in Note No. 41.

e) Impairment of accounts receivable and advances

Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses

f) Discounting of Security deposit, retention money and other long-term liabilities

For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Consolidated financial statements.

g) Amortized Cost for Employee Loans

Employee loans have not been recorded using Effective Interest Rate method due to absence of any materia impact on Consolidated financial statements and involvement of practical difficulties

h) Investment in Equity Instruments

Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date.

i) Restatement of Prior Period Items

Material prior period items, i.e. items having a value of above Rs. 5.00 Lac have been restated in the previous year financials.

4B. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

In terms of our attached report of even date

For Mansaka Ravi & Associates
Chartered Accountants
Firm Reg. No.: 015023C

(CA Ravi Mansaka)
Partner
Membership No. 410816

UDIN: 24410816BKCZMC4013

Place: Navi Mumbai
Date: 26th August, 2024

For and on behalf of the Board of Directors of
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
DIN:0179231

Ram Agarwal
CEO & Whole Time Director
DIN:01739245

Kiran Mukadam
Company Secretary
M. No. A27627

Vikas Agarwal
Whole Time Director
DIN: 01940262

Abhishek Jain
Chief Financial Officer
PAN-ACJPJ8591L

5 PROPERTY, PLANT & EQUIPMENT

Refer Note 3(a) for accounting policy on Property, Plant and Equipment

(₹ In Lakhs)

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2023	Additions	Disposals	Closing as on 31st March, 2024	Opening as on 1st April, 2023	Additions	Disposals	Closing as on 31st March, 2024	As on 31st Mar, 2024	As on 31st Mar, 2023
Building - Freehold	54.24	0.42	-	59.66	9.99	3.89	-	13.89	45.77	49.25
Land - Leasehold	0.00	0.00	-	0.00	0.00	0.00	-	0.00	0.00	-
Plant & Equipments	133.27	298.81	0.06	432.02	21.22	37.79	0.00	59.01	373.01	112.05
Computers	130.63	9.69	-	140.32	93.58	26.05	-	119.63	20.69	37.05
Motor Cars	299.77	28.23	15.02	312.98	164.96	47.80	14.27	198.48	114.49	134.81
Furniture & Fixtures	65.59	35.48	-	101.07	19.84	12.58	-	32.42	68.65	45.75
Office Equipments	43.12	7.09	-	51.01	20.31	11.12	-	31.43	19.58	22.81
Electrical Equipment	6.51	0.00	-	6.51	0.56	1.54	-	2.10	4.40	5.95
Total	**738.13**	**380.51**	**15.09**	**1103.56**	**330.46**	**140.78**	**14.27**	**456.97**	**646.59**	**407.67**

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	As on 31st Mar, 2023	As on 31st Mar, 2022
Building - Freehold	26.15	33.09	-	59.24	7.72	2.28	-	9.99	49.25	18.43
Plant & Equipments	64.35	74.51	5.59	133.27	4.34	17.18	0.30	21.22	112.05	60.01
Computers	111.26	19.37	-	130.63	58.11	35.47	-	93.58	37.05	53.15
Motor Cars	216.82	82.95	-	299.77	121.04	43.92	-	164.96	134.81	95.78
Furniture & Fixtures	25.17	40.42	-	65.59	8.10	11.74	-	19.84	45.75	17.07
Office Equipments	24.05	19.07	-	43.12	8.38	11.93	-	20.31	22.81	15.67
Electrical Equipment	-	6.51	-	6.51	-	0.56	-	0.56	5.95	-
Total	**467.81**	**275.92**	**5.59**	**738.13**	**207.70**	**123.07**	**0.30**	**330.46**	**407.67**	**260.11**

1. Refer Note No. 24 and 25 for details of mortgage/hypothecations of Property, Plant and Equipment towards security.

6 CAPITAL WORK-IN-PROGRESS (CWIP)

(₹ in Lakhs)

Refer Note 3(b) for accounting policy on Capital Work-in-Progress

(a) Tangible Assets Under Development

Particulars	Land	Building	Total
Balance as at 31st March, 2022	-	-	-
Additions during the Year	**406.20**	**491.11**	**897.31**
Capitalised During the Year	-	-	-
Balance as at 31st March, 2023	**406.20**	**491.11**	**897.31**
Additions during the Year	2.20	458.21	**460.41**
Capitalised During the Year	408.40	-	**408.40**
Balance as at 31st March, 2024	-	**949.32**	**949.32**

(b) **Capital Work-In-Progress Ageing**

Balance as at 31st March, 2024

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	458.21	491.11	-	-	**949.32**
Projects Temporarily Suspended	-	-	-	-	-

Balance as at 31st March, 2024

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	458.21	491.11	-	-	**949.32**
Projects Temporarily Suspended	-	-	-	-	-

Balance as at 31st March, 2023

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Project in Progress	897.31		-	-	**897.31**
Projects Temporarily Suspended	-	-	-	-	-

(c) There are no CWIP assets which become overdue compared to their original plans or where cost is exceeded compared to original plans, therefore, disclosure relating thereto is not required.

7 INVESTMENT PROPERTY

(₹ in Lakhs)

A. Completed Investment Properties

Refer Note 3(d) for accounting policy on Investment Properties.

Particulars	Land Leasehold	Buildings	Total
Gross Block			
Balance as at 31st March, 2022	-	**285.33**	**285.33**
Additions		-	-
Disposals	-	-	-
Balance as at 31st March, 2023	-	**285.33**	**285.33**
Additions		-	-
Disposals	-	-	-
Balance as at 31st March, 2024	-	**285.33**	**285.33**
Accumulated Depreciation			
Balance as at 31st March, 2022	-	**156.95**	**156.95**
Additions	-	6.19	6.19
Disposals	-	-	-
Balance as at 31st March, 2023	-	**163.14**	**163.14**
Additions	-	5.89	5.89
Disposals	-	-	-
Balance as at 31st March, 2024	-	**169.03**	**169.03**
Net Block			
Balance as at 31st March, 2023	-	**122.19**	**122.19**
Balance as at 31st March, 2024	-	**116.30**	**116.30**

B. Under Development Investment Properties

Particulars	Land Freehold	Buildings	Total
Balance as at 31st March, 2022	-	**114.45**	**114.45**
Additions during the Year	-	28.78	28.78
Capitalised During the Year	-	-	-
Balance as at 31st March, 2023	-	**143.23**	**143.23**
Additions during the Year	-	19.18	19.18
Capitalised During the Year	-	-	-
Balance as at 31st March, 2024	-	**162.41**	**162.41**

C. Total Investment Properties [A+B]

Balance as at 31st March, 2023	-	**265.42**	**265.42**
Balance as at 31st March, 2024	-	**278.71**	**278.71**

7.1 Ageing Schedule Investment Properties Under Development

Balance as at 31st March, 2024

Investment Properties Under Development	Amount for a period of			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Flat No. 3307, Parkwood, Thane	9.59	14.39	57.22	-
Flat No. 3308, Parkwood, Thane	9.59	14.39	57.22	-
Total	**19.18**	**28.78**	**114.45**	

Balance as at 31st March, 2023

Investment Properties Under Development	Amount for a period of			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Flat No. 3307, Parkwood, Thane	14.39	57.22	-	-
Flat No. 3308, Parkwood, Thane	14.39	57.22	-	-
Total	**28.78**	**114.45**	-	-

7.2 **Amount recognised in Statement of Profit or Loss for Investment Properties**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Rental Income derived from Investment Properties	7.95	6.60
Less: Direct operating expenses (including repairs & maintenance) generating rental income	2.03	0.28
Less: Direct Operating Expenses (including repairs & maintenance) that did not generate	0.20	0.19
before Depreciation	5.72	6.14
Less: Depreciation for the Year	5.89	6.19
Profit/(Loss) arising from Investment Properties	**-0.17**	**-0.05**

7.3 **Leasing Arrangements**

Minimum lease payments receivable under non-cancellable operating lease of investments properties are as follow

Particulars	As at 31st March, 2024	As at 31st March, 2023
Not Later than one Year	5.42	-
Later than one year and not later than five years	16.77	-
Later than five years	-	-
Lease income recognised during the year in profit and loss	7.95	6.60

Note: Group has not entered into any lease agreement with the tenants

7.4 Fair Values

The Group has not got revalued its investment properties and they are carried at amortized value in the financial statements. The Group has no restrictions on the realisability of its investment properties.

7.5 **There are no contractual obligations to purchase, construct or develop investment property except below:**

Particulars	As at 31st March, 2024	As at 31st March, 2023
In respect of Purchase of Property (Flat No. 3307 & 3308, Parkwood, Thane):		
Not Later than one Year:	57.59	76.77
Later than one year and not later than five years	-	-
Later than five years	-	-

7.6 **No contingent rent recognised / (adjusted) in the Profit or Loss in respect of operating lease.**

8 INTANGIBLE ASSETS

(₹ in Lakhs)

Refer Note 3(c) for accounting policy on Intangible Assets

Particulars	Technology	Softwares	Trademark	Total
Gross Carrying Value				
Balance as at 31st March, 2022	296.13	2.67	0.19	298.98
Additions	-	15.63	-	15.63
Disposals	-	-	-	-
Balance as at 31st March, 2023	296.13	18.30	0.19	314.61
Additions	-	4.00	-	4.00
Disposals	-	-	-	-
Balance as at 31st March, 2024	296.13	22.31	0.19	318.62
	-	-	-	-
Accumulated Amortization	-	-	-	-
Balance as at 31st March, 2022	29.61	0.79	0.05	30.45
Additions	29.61	5.50	0.03	35.14
Disposals	-	-	-	-
Balance as at 31st March, 2023	59.23	6.28	0.08	65.58
Additions	29.61	7.00	0.02	36.63
Disposals	-	-	-	-
Balance as at 31st March, 2024	88.84	13.28	0.10	102.22
Net Carrying Value				
Balance as at 31st March, 2023	236.90	12.02	0.11	249.03
Balance as at 31st March, 2024	207.29	9.03	0.09	216.40

9 RIGHT-OF-USE-ASSETS

(₹ in Lakhs)

Refer Note 3(f) for accounting policy on Right-of-Use Assets

Particulars	Amount
Gross Values	
Balance as at 31st March, 2022	41.17
Additions	-
Disposals	-
Balance as at 31st March, 2023	41.17
Additions	408.40
Disposals	-
Balance as at 31st March, 2024	449.57
Accumulated Amortization	
Balance as at 31st March, 2022	0.98
Additions	0.42
Disposals	-
Balance as at 31st March, 2023	1.40
Additions	9.62
Disposals	-
Balance as at 31st March, 2024	11.02
Net Book Values	
Balance as at 31st March, 2023	39.78
Balance as at 31st March, 2024	438.55

Note: ROU Assets as above consists the plot of land and land part of building.

10 NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured, considered good		
Unsecured, considered good		
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit Impaired	-	-
Allowance for Expected Credit Loss	0.00	0.00
Total	**0.00**	**0.00**

11 NON-CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments carried at Cost		
(a) Investment in Equity Instruments		-
(b) Investment in Mutual Funds		-
Units of ICICI Prodential Liquid Fund	0.10	0.10
(c) Other Non-Current Investments		
Investment in Silver Coins	0.15	0.15
Total	**0.25**	**0.25**

Aggregate Values :	As at 31st March, 2024	As at 31st March, 2023
1. Aggregate amount of quoted investments	-	-
2. Aggregate amount of market value of quoted investments	-	-
3. Aggregate amount of unquoted investments	0.25	0.25
4. Aggregate amount of impairment in value of investments	-	-
	Level-1	Level-1
Classification of Investments		
Unquoted Investments	0.25	0.25

12 OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Security Deposits	24.18	11.49
Retention Money Receivable	389.06	313.69
Bank deposits with more than 12 Months Maturity[1]	942.33	1103.06
Total	**1355.57**	**1428.18**

Note: 1 Earmarked balances with banks primarily consists of margin money against loans and margin money against performance guarantees obtained by the Group.

13 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Advances against Purchase of Capital Assets	11.00	11.00
Total	**11.00**	**11.00**

14 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Inventories of Stock-In-Trade [1,2,3]		
Stock-In-Trade	4200.23	2943.11
Stock-In-Transit	-	1.49
Spares & Parts	239.78	2.39
Packing Materials & Other Consumables	-	3.19
Raw Material [2,3]	900.79	535.66
Work in Progress [2,3]	5.82	236.37
Finished Goods [2,3]	507.29	396.51
Total Closing Stock	**5853.91**	**4168.72**

Note: 1. Inventory of Stock-In-Trade includes Batteries, UPS and Inverters as a major component of total inventory.
Note: 2. Entire inventory of the Parent Company has been hypothecated as security against certain bank borrowings of the Parent Company as at 31st March, 2024 and 31st Mar, 2023. For more details of lien/charge against inventories
Note: 3 These inventories are valued at lower of cost or net realisable value.

15 CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments carried at Cost	-	-
Unquoted Investments	-	-
Total	-	-

16 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured, considered good	-	-
Unsecured, considered good	9074.21	6682.29
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit Impaired	-	-
Allowance for Expected Credit Loss	-43.92	-9.57
Total [1,2,3,4]	**9030.29**	**6672.73**

Notes: 1 Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 45.
2 For lien/charge against trade receivables refer Note No. 24 & 26
3 No current trade receivables are due from directors or other officers of the Group either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except as reported in Note No. 42.
4. For Ageing of Current Trade Receivables, refer Note No. 48.1 & 48.2

17 CASH & CASH EQUIVALENTS[1]

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance with Banks		
In Current Accounts	45.75	58.83
In Term Deposits with maturity less than 3 months at inception[3]	0.92	-
Cheques, Drafts on Hand	-	-
Cash on Hand	6.64	18.21
Total	**53.30**	**77.04**

Note 1 There are no restriction with regard to cash and cash equivalents as at the end of reporting period and prior periods.

Note.2 Balance in current accounts at the end of the year are subject to reconciliation.

Note:3 Earmarked balances with banks primarily consists of margin money against loans and margin money against performance guarantees obtained by the Group.

18 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good:		
Deposits with Banks		
Earmarked balances with banks[1]		
In Term Deposits with maturity more than 3 months but less than 12 months at inception	21.33	8.66
Total	**21.33**	**8.66**

Note:1 Earmarked balances with banks primarily consists of margin money against loans and margin money against performance guarantees obtained by the Group

19 CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Loans and advances to Employees	49.77	35.81
Loans and advances to Related Parties	0.67	4.35
Total	**50.44**	**40.15**

Note: There are certain amount due from directors, their relatives or other officers of the Company either severally or jointly with any other person and however, no amount is due from firms or private companies respectively in which any director is a partner, a director or a member except as reported in Note No. 42.

20 CURRENT FINANCIAL ASSETS - OTHER

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Term Deposits with remaining maturing less than 12 Months	463.64	97.03
Receivable against GFDA Subsidy	32.16	24.55
Rentention Money Receivable	50.93	130.25
Deposits	168.75	247.32
Other Advances	0.59	0.33
Total	**716.07**	**499.49**

21 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advances other than Capital Advances		
Advance to Vendors	136.71	60.94
Others		
Prepaid Expenses	32.99	17.02
Balances with Revenue Authorities	277.39	502.18
Share Issue Expenditures[1]	46.80	45.00
Rent Receivable	2.25	1.80
Total	**496.14**	**626.94**

Note:1> The Parent Company is in the process of filing Draft Red Herring Prospectus with SEBI in connection with the proposed Initial Public Offer('IPO') of equity shares of the Parent Company by way of fresh issue. Accordingly, expenses incurred by the Parent Company aggregating to Rs. 46.80 Lakhs in connection with filing of Draft Red Herring Prospectus have been shown under "other current assets" as it shall be adjusted towards the securities premium.

22 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
ISSUED, SUBSCRIBED & PAID-UP		
4,28,74,592 Equity Shares of Rs. 10 each fully paid up *(Previous Year 4,28,74,592 Equity Shares of Rs. 10/- each)*	4287.46	4287.46
Total	**4287.46**	**4287.46**

22.1 The details of shareholders holding more than 5% of the shares are as follows:

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Nos.	%	Nos.	%
Mr. Ram Agarwal[1]	12,862,378	30.00%	12,862,378	30.00%
Mrs. Parvati Shyamsunder Agarwal	5,708,462	13.31%	5,708,462	13.31%
Mr. Vikas Agarwal	14,147,029	33.00%	14,147,029	33.00%
Mrs. Sonu Ram Agarwal[1]	8,574,938	20.00%	8,574,938	20.00%

Note.1 Mr. Ram Agarwal and Ms. Sonu Agarwal, holds 1 fully paid up equity shares of Rs. 10 each as a trustee for the benefit of theirself and certain other shareholders of the Company, being the share alloted against fractional entitlement pursuant to Bonus Shares issued vide Board Resolution dated 11th March, 2023.

22.2 Shareholding of Promoters

Name of Promoter	As at 31st March, 2024		% Change During the Year
	Nos.	%	
Mr. Ram Agarwal	12,862,378	30.00%	Nil
Mrs. Sonu Ram Agarwal	8,574,938	20.00%	Nil
Mr. Vikas Agarwal	14,147,029	33.00%	Nil
Total	**35,584,345**	**83.00%**	

Name of Promoter	As at 31st March, 2023		% Change During the Year
	Nos.	%	
Mr. Ram Agarwal	12,862,378	30.00%	Nil
Mrs. Sonu Ram Agarwal	8,574,938	20.00%	Nil
Total	**21,437,316**	**50.00%**	

Note : Pursuant to board meeting held on 28th Sept, 2020, the Company has revised the list of promoters resulting into decrease in number of promoters from 7 to 2. Further, pursuant to board meeting held on 18.07.2023, the Company has revised the list of promoters again resulting into increase in number of promoters from 2 to 3.

22.3 Rights, preference and restrictions attached to Equity Shares

(i) The Parent Company has one class of equity shares having a par value of Rs. 10 per share. All equity shares, in present and in future, rank pari passu with the existing equity shares of the company and each shareholder is entitled to one vote per share.

(ii) The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

(iii) In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) The Parent Company did not have outstanding calls unpaid by the directors and officers of the Parent Company (Previous Year NIL) and also did not have any amount of forfeited shares (Previous Year NIL).

(v) The Parent Company has not allotted any fully paid up equity shares without payment being received in cash except bonus shares and nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date

(vi) During the period of last five years, the Parent Company has issued following Bonus Shares to its Shareholders by capitalisation of reserves:

No. of Shares Issued in Bonus	Face Value per Share	Ratio	Amount (In Lakhs)	Date of Allotment
6812700	10.00	3:01	681.27	29/08/2020
33790992	10.00	372.100	3379.10	11/03/2023

22.4 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2024	As at 31st March, 2023
Equity Shares at the begining of the Year	42874592	9,083,600
Add: Issued Bonus Shares during the year	-	33,790,992
Less: Shares Cancelled on buy back during the year	-	-
Equity Shares at the end of the Year	**42,874,592**	**42,874,592**

23 OTHER EQUITY *(₹ in Lakhs)*

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained Earnings		
As per Last Balance Sheet	1784.44	3168.75
Adjustments:		
Add. Profit For the Year	2333.95	1994.79
Appropriations		
Less: Capitalisation by Issue of Bonus Shares	-	3379.10
Total of Retained Earnings	**4118.39**	**1784.44**
Other Comprehensive Income Reserve		
As per last balance sheet	28.77	22.43
Add: Other Comprehensive Income for the Year	-1.62	6.34
Total of Other Comprehensive Reserves	**27.15**	**28.77**
Total of Other Equity	**4145.53**	**1813.21**

Nature of Reserves

Retained Earnings represent the undistributed profits of the Group.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income(OCI) . OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

24 FINANCIAL LIABILITIES - NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured Loans (against hypothecation of assets)		
Vehicle & Business Loans	629.90	811.41
Less: Current maturities of Long Term Debt	168.47	195.32
Term Loans from Banks[1]	**461.44**	**616.09**
Unsecured Loans		
From Directors	-	55.00
From Relatives of Directors[6]	-	-
Total	**461.44**	**671.09**

Details & Principals terms of Secured Loans:

Security	Amount of Monthly Installment	Rate of Interest (p.a.)	Purpose / Sanction Amount	Banker
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding	0.26	8.35%	Vehicle Loan - ₹ 12.50 Lakh	ICICI Bank Ltd**
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding	0.47	8.50%	Vehicle Loan - ₹ 16.92 Lakh	ICICI Bank Ltd**
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.35	7.25%	Vehicle Loan - ₹ 14.61 Lakh	Axis Bank Ltd
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	1.02	7.75%	Vehicle Loan - ₹50.75 Lakh	BMW India Financial Services P Ltd
First Pari Passu Charge over the stock and book debts of the Parent Company. For collateral security details - Refer Note3	6.38 + Interest	Repo + 3%	Business Loan - ₹200 Lakh	ICICI Bank Limited[3]
First Pari Passu Charge over the stock and book debts of the Parent Company. For collateral security details - Refer Note3	7.60 + Interest	Repo + 3%	Term Loan - ₹1000 Lakh	ICICI Bank Limited[3]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.20	7.60%	Commercial Vehicle Loan - ₹ 8.20 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.21	7.60%	Commercial Vehicle Loan - ₹ 8.45 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.20	7.60%	Commercial Vehicle Loan ₹ 8.20 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding	0.21	7.60%	Commercial Vehicle Loan - ₹ 8.45 Lakhs	ICICI Bank Ltd[1]

Security	Amount of Monthly Installment	Rate of Interest (p.a.)	Purpose / Sanction Amount	Banker
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.41	9.40%	Commercial Vehicle Loan - ₹ 7.40 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.36	8.20%	Commercial Vehicle Loan - ₹ 19.99 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.31	8.75%	Commercial Vehicle Loan - ₹ 15 Lakhs	HDFC Bank Ltd[2]

***Account closed during the FY 2022-23*

Note:1> During the year 2022-23, Parent Company has availed Vehicle loans from ICICI Bank
Note:2> During the year 2023-24, Parent Company has availed Vehicle loans from HDFC Bank
Note:3> Collateral Securities Offered to ICICI Bank Limited against Term Loan are as under.
a) First Paripasu Charge over Current Assets
b) Cash margin in form of FD of Rs. 7.75 million
c) Exclusive charge on industrial property Plot no. EL-79, TTC Industries area, Mahape, MIDC Navi Mumbai, 400710

d) Exclusive charge on residential property by Equitable Mortgage stipulated at Flat A3/12/F1/103, 1st Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sec 54, 55, 58, Nerul, Navi Mumbai, admeasuring 129.50 sq mtr in name of Parent Company.
e) Personal Guarantee of i) Mr. Ram Agarwal ii) Mr. Vikas Agarwal has been offered:
Note:4>> The Group does not have any continuing default in repayment of loans and interest as on the reporting date
Note:5>> Borrowings from banks and financial institutions have been used for the purpose for which they were obtained.
Note: 6> Unsecured Loan from director / relative of Director are payable on demand

25 PROVISIONS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non-Current	Current	Non-Current	Current
Provision for Defined Benefits/Gratuity	100.58	19.20	79.19	10.99
Provision for Leave Encashments			-	-
Short Term				
Long Term				
Provision for Warranties	23.10	34.55	17.11	25.66
Short Term				
Long Term				
Other Provisions	-	8.63	-	7.80
Total	**123.68**	**62.48**	**96.30**	**44.45**

Movement in Provisions

Particulars	As at 1st April 2023	Additions/Creations during the Reporting Period	Amount Paid / Adj. / Utilised During the Year	As at 31st March, 2024
Provision for Defined Benefits/Gratuity	90.16	29.40	0.20	**119.76**
Other Provisions	7.80	8.63	-7.80	**8.63**
Provision for Warranty	42.77	44.13	-29.16	**57.74**

Movement in Provisions

Particulars	As at 1st April 2022	Additions/Creations during the Reporting Period	Amount Paid / Adj. / Utilised During the Year	As at 31st March, 2023
Provision for Defined Benefits/Gratuity	77.05	15.26	-2.13	**90.18**
Other Provisions	5.25	7.80	-5.25	**7.80**
Provision for Warranty	-	42.77	-	**42.77**

Notes:

i) Warranty costs are provided based on managements' best estimates of the cost required to be incurred for repairs,replacement,material cost,servicing,and past experience in respect of warranty costs based on previous experience

ii) The provision of warranty as required to be disclosed in compliance with Ind AS 37, Provisions, Contingent liabilities and Contingent Assets as above.

25A OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deposit Payable	2.00	-
Total	**2.00**	-

26 FINANCIAL LIABILITIES - CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
From Banks		
Overdraft / Cash Credit Facility from Banks[1&2]	3711.23	1607.21
From Others	-	-
Unsecured		
From Banks		
Current maturities of Long Term Debts (Note 24)	168.47	195.32
Total	**3879.70**	**1802.53**

Note: 1 Summary of Overdraft / Cash Credit facilities from banks are as under

(A) Cash Credit Facilities - Axis Bank - ₹ 3400 Lakhs

Banker	**Axis Bank**
Sanction Limit (₹ in Lakhs)	2500.00
Outstanding Limit (₹ in Lakhs)	1846.26 (Including Accrued Interest)
Interest Rate	Repo Rate + 2.70%
Purpose	Working Capital Purpose
Security	a) Hypothecation on current assets of the comapany present b) 32% in the form of Liquid with banks lien noted on thereon including cash Margin of BG/LC.
Personal Guarantees	Further, secured by personal guarantee of Mr. Ram Agarwal & Mr

(B) Cash Credit Facility - ICICI Bank - ₹ 1600 Lakhs

Banker	**ICICI Bank**
Sanction Limit (₹ in Lakhs)	1600.00
Outstanding Limit (₹ in Lakhs)	464.98
Interest Rate (Bill Discounting)	Repo + 2.75%
Security	It is same as mentioned for business loan taken from ICICI Bank See Note No. 24.
Personal Guarantees	Personal Guarantees of Mr Ram Agarwal & Vikas Agarwal

(C) Working Capital Demand Loan - Bajaj Finance Limited - ₹ 1500 Lakhs

Banker	**Bajaj Finance Limited**
Sanction Limit (₹ in Lakhs)	1500.00
Outstanding Limit (₹ in Lakhs)	1399.99
Interest Rate	9.65%
Security	First Ranking Pari Passu on Current Assets of the Company, Lein of Corporate Deposit / Fixed Deposit or exclusive charge on properties in favour of Lender to the extent of 25% of sanctioned amount
Personal Guarantees	Personal Guarantees of Mr Ram Agarwal & Mr. Vikas Agarwal

Note: 2 The Group does not have any continuing default in repayment of loans and interest as on the reporting date.
Note:3>> Borrowings from banks and financial institutions have been used for the purpose for which they were obtai
Note: 4> Disclosure of Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, is given at Note No. 50.
Note:6> Balance in overdraft accounts at the end of the year are subject to reconciliation

27 FINANCIAL LIABILITIES - CURRENT - TRADE PAYABLES[1]

(₹ in Lakhs)

Particulars	**As at 31st March, 2024**	**As at 31st March, 2023**
(a) total outstanding dues of micro enterprises and small enterprises;	448.54	716.72
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	5981.10	5263.69
Total	**6429.63**	**5980.42**

Note: 1 Detailed ageing schedule is given at Note No. 46.

28 FINANCIAL LIABILITIES -CURRENT - OTHER

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due on borrowings	10.64	3.67
Salary Payables including bonus	179.36	75.30
Directors Remuneration payable	5.35	3.01
Sitting Fees Payable to Directors	0.16	0.88
Other Outstanding Expenses	11.17	5.31
Credit Card Dues	1.42	1.37
Deposit Payable	24.43	-
Total	**232.54**	**86.53**

29 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory Liabilities	170.52	290.46
Advances from Customers	91.00	89.01
Total	**261.51**	**379.46**

30A CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Tax	851.93	748.27
Less. TDS / Advance Tax Paid	603.05	598.63
Total	**248.88**	**149.64**

30B CURRENT TAX ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
TDS / Advance Tax Paid	1.77	1.49
Less Provision for Tax	-	-
Total	**1.77**	**1.49**

31 LEASES

(₹ in Lakhs)

Group as a Lessee

The Group has taken on some properties on long-term leases and short-term leases. Most of the property leases include renewal and escalation clauses. The Group has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 and related interpretation and guidance. The Group has applied Ind AS 116 using the modified retrospective approach.

In respect of Leased Properties taken on Long-term :

Impact of Adoption of Ind AS 116 on the Statement of Profit and Loss (excluding corresponding deferred tax):

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest on Lease Liabilities	0.87	1.08
Depreciation of Right-of-Use Assets	9.62	0.42
Actual Lease Rental Paid	6.58	7.20
Impact on Statement of Profit or Loss	3.91	-5.70

Lease Liabilities Reconciliation

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Lease Liabilities Recognised	11.53	17.64
Lease Liabilities Recognised during the Year	-	-
Interest on Lease Liabilities	0.87	1.08
Repayment / Actual Rent Paid	6.58	7.20
Closing Lease Liabilities	5.82	11.53

Classification of Lease Liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current Lease Liabilities	5.82	5.81
Non-Current Lease Liabilities	(0.00)	5.72

Note: The Company has inadvertently shown the Leasehold Land under Investment Property, which is now been regrouped under ROU Asset. Refer Note - 52 for adjustments done in prior period against the rectification of error.

In respect of Leased Properties :

The Group has taken certain offices and residential premises under operating lease agreements for short period. Aggregate rental of ₹ 262.88 Lakh for the Year Ended on 31st March, 2023 (Previous Year. ₹ 200.19) on such leases has been charged to Statement of Profit and Loss.

32 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sale of Products	22254.80	21492.38
Sale of Services	1170.44	611.55
Sale of EPC Contracts (So al)	2368.46	906 91
Other Operating Revenues	18.51	25.48
Financing Component - Retention (Ind AS)	-25 17	0.00
Total Revenue from Operations	**25787.04**	**23036.32**

Reconciliation of Sale of Services	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Service Charges Billed During the Year	1115.04	593 42
Opening Unbilled Revenues from Services	-52.27	-34 14
Closing Unbilled Revenues from Services	107 66	52.27
Net Revenue from Sale of Services	**1170.44**	**611.55**

Geographical disaggregation	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sales in India	25781.15	22985.66
Sales Outside India	5.89	50.66
Total	**25787.04**	**23036.32**

Reconciliation of Revenue from Sale of Products	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sales from Product Billed	34844.57	30600 31
Less: Interbranch Transfers	12589.77	9107.92
Net Sales from Products	**22254.80**	**21492.38**

33 OTHER INCOMES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest Incomes:		
Interest Income on bank deposits	75.47	55 72
Interest Received on Arbitration Award[1]	-	50.36
Interest Income on IT Refunds	-	0.28
Finance Income - Ind AS	40.74	-
Other Non-Operating Incomes		
Rent / Lease Income (Refer Note 7)	7.95	6.60
Foreign Exchange Gain (Net)	6.69	-
Net Gain (Loss) on disposal of PPE/Investment Property	2.01	0.52
Net Gain on Sale of Investments	-	4.34
Recovery of Bad Debts through Arbitration Award[1]	-	80.16
Other Incomes	3.35	0 36
Total	**136.21**	**198.32**

Note-1. During the financial year 2022-23, the Parent Company has received a sum of Rs. 80.16 Lakhs as principal amount against old unpaid disputed dues and Rs. 50.35 Lakhs as interest thereon from M/s Mphasis Limited in terms of arbitration award dated 16th April, 2021 given by Appellate Tribunal of Shri Justice H N. Nagamohan Das, Sole Arbitrator At Arbitration & Conciliation Center - Bengaluru (Domestic & International) in the matter of A/c No. 20/2019 between Mphasis Limited and the Parent Company

34 COST OF MATERIAL CONSUMED

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Inventory at the Commencement of the Year	585.66	210.43
Add: Purchases made during the year	9744.33	6616.40
Less: Inventory at the End of the Year	900.79	585.65
Net Cost of Material Consumed	**9429.20**	**6241.18**

Note:1>During the current reporting period, previous year figures have been reclassified to correspond with the current year's classification. In previous year(s), purchase of goods / components sold as a part of Complete Power Solution Product were classified as "purchase of stock-in-trade" on basis of its component under Schedule - 35 whereas in current year, such goods are classified as "cost of material consumed" being used as part /component of a Complete Power Solution Product under this Schedule

35 PURCHASE OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Purchases made during the Year	22589.99	20134.45
Inter-Branch Purchases	-12589.77	-9107.92
Net Purchases of Stock-In-Trade	**10000.22**	**11026.52**

Note:1> It includes goods manufactured through Contract Manufacturing, Trading, etc

Note:2>During the current reporting period, previous year figures have been reclassified to correspond with the current year's classification. In previous year(s), purchase of goods / components sold as a part of Complete Power Solution Product were classified as "purchase of stock-in-trade" on basis of its component under this Schedule whereas in current year, such goods are classified as "cost of material consumed" being used as part /component of a Complete Power Solution Product under Schedule - 34.

36 CHANGE-IN-INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Inventory at the Beginning of the Year	**3583.06**	**2956.91**
Traded Goods	2947.00	2866.88
Packing Materials & Consumables	3.19	0.63
Finished Goods	396.51	54.10
Work-in-Progress	236.37	35.30
Inventory at the End of the Year	**4953.12**	**3583.06**
Traded Goods	4440.01	2947.00
Packing Materials & Consumables	0.00	3.19
Finished Goods	507.29	396.51
Work in Progress	5.82	236.37
Change-in-Inventory During the Year	**-1370.06**	**-626.14**

37 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Salary and Wages (including Bonus)	1746.03	1383.12
Directors' Remuneration	147.25	131.14
Staff Welfare Expenses	96.76	88.92
Contribution to provident and other funds	57.83	70.66
Gratuity Expense [Refer Note - 56]	28.36	25.57
Professional Tax Paid	-	0.03
Total	**2076.23**	**1699.42**

38 FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest Expense	325.26	107.50
Other Borrowing Cost (upfont fees, renewal fees, etc)	28.24	17.41
Interest / Penalty on Income-tax	19.76	4.32
Interest on TDS/TCS	-	0.69
Interest on Leased Liability	0.87	1.23
Total	**374.13**	**131.16**

39 DEPRECIATION & AMORTIZATION EXP

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Depreciation on PPE (Refer Note-5)	140.78	123.07
Depreciation on Investment Properties (Refer Note-7)	5.89	6.19
Amortization on Intangible Assets (Refer Note-8)	36.63	35.14
Amortization of Right-of-Use Assets (Refer Note-9)	9.62	0.42
Total	**192.92**	**164.86**

40 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Operating & Manufacturing Overheads		
Freight & Transportation Charges	408.49	335.57
Labour Charges	25.36	32.21
Custom Clearing & Forwarding Charges	126.89	80.90
Service Charges	12.46	79.24
Installation Charges	157.19	46.76
Packing & Forwarding Charges	0.52	0.52
Factory Expenses	0.19	0.83
Other Consumables	1.91	-
Power and Fuel Expenses	15.79	-
Loading & Unloading Charges	56.79	40.37
Total (A)	**805.61**	**618.39**

PROSTARM INFOSYSTEMS LIMITED MUMBAI

Establishment Expenses		
Corporate Social Responsibility Expenses	37.25	25.00
Business Promotion Expenses	48.07	15.68
Other Bank Charges	14.02	25.92
Misc Expenses	6.04	19.93
Development Charges	0.62	0.39
Lodging and Boarding	0.18	0.23
Electricty & Water Charges	14.82	20.02
Insurance Charges	14.22	12.21
Interest, Late Fees & Demands - GST	7.06	23.34
Repair & Maintenance Charges	22.25	28.74
Tender Fee	8.69	9.24
Office & Misc Expenses	53.86	97.44
Postage & Courier Charges	11.26	7.40
Printing & Stationery	8.32	10.53
Professional & Consultancy Charges	155.64	226.17
Rent, Rates & Taxes	266.23	206.23
Telephone & Internet Exp	6.82	8.18
Travelling & Conveyance Expenses	353.52	409.45
Brokerage & Commission	53.33	14.93
Government Fee	0.11	0.09
ROC Fees	5.57	39.49
Audit Fees	8.93	9.71
Sitting Fees to Directors	2.98	0.88
Non-inventory exp	9.45	15.58
Security Service Charges	8.99	5.90
Recuritment Service Charges	-	4.00
Fee & Subscription Charges	23.23	3.78
Labour Welfare Charges	39.30	-
Donations	-	1.00
Warranty Expenses	44.13	42.77
Allowance for Expected Credit Loss	34.35	9.57
Penalty under GST Law	-	0.25
SD Deferement [Ind AS Adj]	0.89	-
Sundry Balance Written Off	58.60	35.54
Lease Registration Charges	-	5.16
Foreign Exchange Loss (Net)	0.00	25.72
Total (A+B)	**2125.32**	**1978.87**

41 INCOME TAX EXPENSE

(₹ in Lakhs)

The major components of income tax expense for the reporting periods are indicated below:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
a) Statement of Profit or Loss for the Year ended		
Current Tax :		
Current tax on profit for the year	851.93	748.27
Charge/Credit in respect of current tax for earlier year	-	3.78
Total Current Tax	**851.93**	**752.04**
Deferred Tax :		
Origination and reversal of temporary differences	-39.18	-63.99
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total Deferred Tax :	**-39.18**	**-63.99**
Total Tax Expense / (Credit) for the Year	**812.75**	**688.06**
b) Statement of Comprehensive income for the Year ended		
Deferred tax (Credit) / charge on :		
Re-measurement of defined benefit obligations	-0.84	2.17
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total	**-0.84**	**2.17**

(A) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Accounting Profits / (loss) before tax	3095.29	2618.83
Statutory income tax rate (%)	25.13%	25.11%
Tax at Indian statutory income tax rate	777.84	657.64
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	58.74	81.67
Permanent Disallowances	6.96	9.96
Changes in deferred tax balances due to the change in income tax rate for the year	-	-
Total Income-tax Expense / (Credit)	**843.55**	**748.27**
Effective income tax rate (%)	27.25%	28.57%

(B) The movement in deferred tax assets and liabilities during the Year Ended 31st March 2024 & 31st March, 2023 are as under:

Particulars	As at 31st March, 2023	Charged / (Credited) to P&L	Charged / (Credited) to OCI	As at 31st March, 2024
Deferred Tax Assets :				
Provision of doubtful debts and advances	2.41	0.26	-	2.67
Provision for Warranty Expense	10.76	3.77	-	14.53
Provision of Gratuity (Employee Benefits)	22.72	7.18	0.84	30.74
Carry forward of Capital Losses	101.00	36.08	-	137.08
Temporary Disallowances under IT Act	1.51	-0.98	-	0.53
Property, Plant & Equipment	6.42	-7.13	-	-0.71
			-	
Deferred Tax Liabilities			-	
Property, Plant & Equipment	-	-	-	-
Fair Valuation of Investments	-	-	-	-
Total	**-144.82**	**-39.18**	**-0.84**	**-184.84**

Particulars	As at 31st March, 2022	Charged / (Credited) to P&L	Charged / (Credited) to OCI	As at 31st March, 2023
Deferred Tax Assets :				
Provision of doubtful debts and advances	-	2.41	-	2.41
Provision for Warranty Expense	-	10.76	-	10.76
Provision of Gratuity (Employee Benefits)	19.40	5.49	-2.17	22.72
Carry forward of Capital Losses	51.80	49.20	-	101.00
Temporary Disallowances under IT Act	1.26	0.25	-	1.51
Property, Plant & Equipment	10.55	-4.13	-	6.42
		-	-	
Deferred Tax Liabilities		-	-	
Property, Plant & Equipment	-	-	-	-
Fair Valuation of Investments	-	-	-	-
Total	**-83.01**	**-63.99**	**2.17**	**-144.82**

42 RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are reported as under:

A. Name of related parties and description of relation:

(i) Other Related Parties

Name of Company / Entity	Nature of Relationship
Mr Shyam Sundar Agarwal	Relative of Director
Mr Santosh Agarwal	Relative of Director
Mrs Parvati Agarwal	Relative of Director
Mrs. Jayanti Ghose	Relative of Director
Mrs Kavita Jain	Relative of KMP
M/s S K Enterprises (Prop. Kavita Jain)	Proprietorship Firm of Relative of KMP
M/s Aarchor Innovations Private Limited	Significant Influenced Entity (Common Directorship)

(ii) Key Managerial Personnel (KMP)

Designation	Name
Chairman & Managing Director	Mr. Tapan Ghose
Whole Time Director & Chief Executive Officer	Mr Ram Agarwal
Whole Time Director	Mrs. Sonu Ram Agarwal
Whole Time Director	Mr. Vikas Shyamsunder Agarwal
Whole Time Director	Mr Raghu Ramesh Thammannashastri
Independent Director	Mr. Goutam Paul
Independent Director	Mr. Bhargav Chatterjee
Independent Director	Mr. Ganesh Basant Kumar Pansari
Independent Director	Mr Shivkumar Baser
Independent Director	Ms Mitali Chatterjee
Chief Financial Officer	Mr Abhishek Jain
Company Secretary	Mr Prashant Sharad Patankar
Director of Subsidiary	Mr. Radhakrishnan Nair
Director of Subsidiary	Mr. Abhishek Jain

Note: Related party relationship is as identified by the Company and relied upon by the auditors

B. Related Party Transactions

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The Group has not recorded any impairment of receivables relating to amounts owed by related parties as at reporting dates. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates. There are no commitments with related parties.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant period

Transaction Type / Party	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Unsecured Loan Taken		
Mr Radhakrishnan Nair	-	55.00
Unsecured Loan Repaid		
Mr Shyam Sundar Agarwal	-	40.00
Short term employee benefits**		
Mr Tapan Ghose	18.23	6.23
Mr Ram Agarwal	54.23	48.23
Mrs Sonu Ram Agarwal	26.23	24.23
Mr. Raghu Shastri	24.23	22.43
Mrs Parvati Agarwal	6.23	6.23
Mr. Santosh Agarwa.	6.33	6.23
Mr. Vikas Agarwal	6.00	-
Mrs. Jayanti Ghose	-	7.23
Mr. Abhishek Jain	20.87	5.22
Mr. Prashant Sharad Patankar	3.91	1.35
Ms. Kavita Jain	7.67	1.02
Mr Radhakrishnan Nair	37.50	30.00
Sales Commission Paid/ Payable		
Mr Ram Agarwal	28.34	-
Mr Vikas Agarwal	-	5.00
Sitting Fees Paid /Payable		
Mr Goutam Paul	1.73	0.20
Mr. Bhargav Chatterjee	0.88	0.28
Mr. Ganesh Pansari	0.40	0.10
Mr Shivkumar Baser	0.58	0.10
Ms. Malati Chatterjee	0.40	0.20
Rent Received / Receivable		
Mr Ram Agarwal	-	2.40
Mr. Santosh Agarwal	2.40	-
Salary Advances		
Mr Santosh Agarwal	-	0.65
Mr Ram Agarwal	-	12.61
Mrs. Sonu Ram Agarwal	-	9.43
Mrs. Parvati Agarwal	-	12.83
Mrs. Jayanti Ghose	-	1.50
Mr. Abhishek Jain	7.50	3.00
Mrs. Kavita Jain	8.60	-
Sale of Products		
Aarchor Innovations Pvt Ltd	118.23	53.59
S K Enterprises (Prop. Kavita Jain)	30.74	1.00
Purchase of Materials / Products		
Aarchor Innovations Pvt Ltd	-	0.62
S K Enterprises (Prop. Kavita Jain)	-	1.93

Continue

Transaction Type / Party	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Reimbursement of Expenses		
Mr. Raghu Ramesh Thammanashastri	0.75	0.15
Mr. Abhishek Jain	3.71	0.06
Ms. Kavita Jain	1.90	-
Mr. Prashant Sharad Patankar	0.56	-
Mr Radhakrishnan Nair	12.22	12.92
Advances Given for Purchase of Goods		
S K Enterprises (Prop. Kavita Jain)	7.00	-

**The remuneration to the Key Management Personnel does not include provision made for gratuity as they are determined on an actuarial basis for the each company of the Group as a whole

The receivables from and payables to related parties as at 31st March, 2024 and 31st March, 2023 are set out below:

Related Party	As at 31st March, 2024	As at 31st March, 2023
Payable To		
Mr. Ram Agarwal (Remuneration)	-	1.65
Mrs. Sonu Ram Agarwal (Remuneration)	0.03	1.35
Mr. Raghu Ramesh Thammanashastri (Remuneration)	0.59	-
Mr. Vikas Agarwal (Remuneration)	4.50	-
Mrs Parvati Agarwal (Salary)	0.96	-
Mr. Goutam Paul (Sitting Fees)	0.07	0.20
Mr. Bhargav Chatterjee (Sitting Fees)	0.09	0.28
Mr. Ganesh Basant Kumar Pansari (Sitting Fees)	-	0.10
Mr. Shivkumar Baser (Sitting Fees)	-	0.10
Ms. Mitali Chatterjee (Sitting Fees)	-	0.20
Mr. Abhishek Jain (Remuneration)	1.61	-
Mrs. Kavita Jain (Remuneration)	0.35	-
Mr. Tapan Ghose (Remuneration)	0.26	0.00
M/s Aarcchor Innovations Pvt Ltd	119.85	120.20
Mr. Radhakrishnan Nair (Remuneration & Incentive)	62.71	47.50
Mr. Radhakrishnan Nair (Unsecured Loan)	-	55.00
Receivable From		
Mr. Santosh Agarwal (Salary Advance)	0.39	3.65
Mrs Jayanti Ghose (Salary Advance)	-	1.73
Mr. Abhishek Jain (Salary Advance)	-	2.00
Mr. Ram Agarwal (Salary Advance)	0.28	-
M/s SK Enterprise Proprietor Ms Kavita Jain (Sales)	0.93	2.07
M/s SK Enterprise Proprietor Ms Kavita Jain (Purchase Advance)	7.00	-
M/s Aarcchor Innovations Pvt Ltd (Sales)	1.06	-

Note-1> Mr. Abhishek Jain has been appointed as Chief Financial Officer of the Company with effect from 24th Jan, 2023

Note-2> Mr. Prashant Patankar has been appointed as Company Secretary of the Company with effect from 24th Jan, 2023 and has resigned with effect from 30th Nov, 2023.

Note-3> Mr. Goutam Paul was appointed as an Independent Director with effect from March 9, 2023

Note-4> Mr. Bhargav Chatterjee was appointed as an Independent Director with effect from March 9, 2023.

Note-5> Mr. Ganesh Pansari was appointed as an Independent Director with effect from March 9, 2023.

Note-6> Mr Shivkumar Baser was appointed as an Independent Director with effect from March 9, 2023.
Note-7> Ms. Mitali Chatterjee was appointed as an Independent Director with effect from March 9, 2023
Note-8> Transaction with Ms Kavita Jain and her Proprietorship Firm Namely SK Enterprise have been considered for the period on or after 24th Jan, 2023 i.e. after appointment of Mr Abhishek Jain as CFO of the Company being relative of Ms Kavita Jain.
Note -9> Ms Sonu Agarwal resigned from the post of Whole Time Director with effect from July 07, 2023 However, she continues to work in the capacity of as an employee

Terms & Conditions:

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists. For the FY 2024 and FY 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Loans from related parties:

The Group had taken loans from related parties for business requirement The loan balances as at March 31, 2024 is Rs 0 Lakhs and March 31, 2023 was Rs. 55 Lakhs These loans are unsecured in nature and is payable on demand.

The following are the details of the transactions eliminated during the period/year ended March 31, 2024 and March 31, 2023

Related Party	Nature of Transaction	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
(a) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Payable Towards Purchase of Materials	9.94	-
(b) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Receivable Towards Sale of Materials	9.94	-
(c) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Receivable Towards Sale of Materials	-	34.16
(d) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Payable Towards Purchase of Materials	-	34.16
(e) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Receivable Towards Advance Against Purchase of	-	8.02
(f) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Payables Towards Advances Received against Sale	-	8.02
(g) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Investment in Shares Made	345.78	345.78
(h) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Investment in Shares Received	345.78	345.78
(i) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Purchase of Materials*	1626.25	1177.19

Continued...

Related Party	Nature of Transaction	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
(j) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Sale of Materials	1626.25	1177.19
(k) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Sale of Materials	118.56	55.05
(l) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Purchase of Materials	118.56	55.05
(m) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Sale of Services	1.14	-
(n) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Purchase of Services	1.14	-
(o) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Sale of Fixed Assets	-	4.32
(p) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Purchase of Materials	-	4.32

*In FY 2022-23, the Parent Company has purchased materials of Rs. 1181.51 Lakhs from subsidiary which includes sale of fixed assets to the extent of Rs. 4.32 Lakhs and the same has become part of stock-in-trade item (being batteries) for the Parent Company. Therefore, in above table, elimination impact has been given for Rs. 1177.19 Lakhs being its conversion of fixed asset into stock-in-trade at Group level and those items have also been sold by the Parent during the year under consideration.

43 EARNING PER SHARE

(₹ in Lakhs)

Basic Earnings per share ('EPS') amounts are calculated by dividing the Profit/(loss) for the year attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the Profit/(loss) attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following is a reconciliation of equity shares used in the computation of basic & diluted earnings per equity share:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
A. Nos. of Equity Shares outsanding at end of year	42874592	42874592
B. Weighted Average number of Equity Shares for Basic & Diluted EPS	**42874592**	42874592
C. Profit attributable to owners of the Parent Company	2333.95	1994.79
D. Earning per Share after Exceptional Income		
Basic & Diluted Earning Per Share (In ₹)	**5.44**	**4.65**
E. Nominal Value of Shares (In ₹)	10.00	10.00

** The Parent Company has issued bonus share in the ratio of 372:100 during the year ended 31st March, 2023 (refer note 22.3(vi)).Inline with the requirements of Para 28 of Ind AS 33,for the purpose of EPS calculations, bonus shares issued have been considered as if the event of bonus issue had occurred at the beginning of the earliest period reported.

44 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Contingent Liabilities		
Claims against the Group not acknowledged as debt[1]	11.30	11.30
Guarantees & LC excluding financial guarantees[2]	1792.07	1050.94
Other money for which the Group is contingently liable[3]	32.03	3.06
Commitments		
Estimated amount of contracts remaining to be executed on capital account & not provided for	135.04	76.77
Uncalled liability on shares and other investments partly paid	-	-
Other commitments	-	-

Notes:

1. The Group has certain disputes, lawsuits and claims, which arise in from time to time in the ordinary course of business. The Group believes these matters are not expected to have material impact on the Financial Statements.
2. Includes Bank Guarantees issued in favour of various customers for supply of materials, tendering, etc
3. Represnts demands raised by Income tax and service tax authorities pending before appellate authorities or appeal to be filed within due course.

45 FINANCIAL RISK MANAGEMENT

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Financial Risk Factors

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers and related party. The Company operates majorly with AMFIs with high credit ratings resulting in limited credit risk on trade receivables.
Liquidity risk	Liabilities	Rolling cash flow forecasts	The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company believes that the working capital and its cash and cash equivalent are sufficient to meet its short and medium term requirements.
Market risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	The Company has very limited exposure to the financial risk of changes in foreign currency exchange rates.

A. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls

a. Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, trade receivables, cash and cash equivalents, financial assets measured at	12 month expected credit loss or
High credit risk	Trade receivables	Life time expected credit loss or specific provision, as required

(₹ in Lakhs)

Particulars	Note	Note No.	As at 31st March, 2024	As at 31st March, 2023
Low credit risk				
Security deposits	Other Current Assets - Non Current	12 & 20	192.93	258.91
Trade receivables	Current & Non-Current Trade Receivables	10 & 16	8968.13	6577.05
Cash and cash equivalents	Cash and cash equivalents	17	53.30	77.04
Bank balances other than Cash and cash equivalents	Current Financial Assets - Other Bank Balances	18	21.33	8.66
Other financial assets	Other Financial Assets Current & Non Currrent	11,12,15,19 & 20	1929.40	1709.26
High credit risk				
Trade receivables	Current & Non-Current Trade Receivables	10 & 16	62.17	95.68
Loans			-	-
Total			**11227.25**	**8726.50**

***These represent carrying values of financial assets, without deduction for expected credit losses**

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country

Trade receivables

Trade receivables are generally unsecured and non interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Company. The Company has also taken advances from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Company recognises a impairment for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans to related parties, loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits.

b. Expected credit losses for financial assets

i. Financial assets (other than trade receivables)

Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses

For cash & cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Company knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Company policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

(₹ in Lakhs)

Particulars	Notes	Gross carrying amount	Expected probability of Default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2024					
Cash and cash equivalents	17	53.30	0%	-	53.30
Other bank balances	18	21.33	0%	-	21.33
Other financial assets	11,12,15,19 & 20	2122.33	0%	-	2122.33
March 31, 2023					
Cash and cash equivalents	17	77.04	0%	-	77.04
Other bank balances	18	8.66	0%	-	8.66
Other financial assets	11,12,15,19 & 20	1968.07	0%	-	1968.07

ii) Expected credit loss for trade receivables under simplified approach (₹ in Lakhs)

As at March 31, 2023 and March 31, 2022, the Company considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 6 months after the reporting date. In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Particulars	Carrying Amount Net of Impairment Provision	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses
March 31, 2024				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	62.17	106.08	10.00%	43.92
Total	**62.17**	**106.08**		**43.92**

Particulars	Carrying Amount Net of Impairment Provision	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses
March 31, 2023				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	86.11	95.68	10.00%	9.57
Total	**86.11**	**95.68**		**9.57**

Reconciliation of loss allowance provision for Trade receivables from beginning to end of reporting period:

Particulars	Trade receivables
Loss allowance as at March 31, 2022	-
Changes in loss allowance	9.57
Loss allowance as at March 31, 2023	**9.57**
Changes in loss allowance	34.35
Loss allowance as at March 31, 2024	**43.92**

B. **Market Risk**

a) **Foreign Currency** Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities that are not hedged by a derivative at the end of the reporting period are as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31 March 2023	
	Foreign Currency*	₹	Foreign Currency*	₹
Trade Payables				
USD**	3,448,324	2887.97	894,623	737.86
CNY***			-	-
Trade Receivables			-	-
Other Payables				
USD**			-	-
CNY***			-	-
Total		**2887.97**		**737.86**

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Company's financial assets and financial liabilities at the reporting date. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

Sensitivity analysis of 5% change in exchange rate at the end of reporting period. [₹ in Lakhs]

Particulars	As at March 31, 2024		As at March 31, 2023	
	USD**	CNY***	USD**	CNY***
Foreign Currency Sensitivity				
Impact on Profit & Loss				
5% Appreciation in (₹)	-144.40	-	36.89	-
5% Depreciation in (₹)	-144.40	-	-36.89	-

*Foreign currency is presented in absolute numbers.
**USD represents for United States Dollar
***CNY represents for Chinese Yuan Renminbi

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates on account of procurement of goods/materials from outside India

C. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company believes that the working capital and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted

As at 31st March, 2024 *(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Cash	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	3711.23	3711.23	3711.23	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	629.90	629.90	168.47	461.44
Lease Liability	5.82	5.82	5.82	0.00
Trade Payables	6429.63	6429.63	6429.63	-
Other Financial Liabilities	234.54	234.54	234.54	-

As at 31st March, 2023 *(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Cash	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	1607.21	1607.21	1607.21	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	866.41	866.41	195.32	671.09
Lease Liability	11.53	11.53	5.81	5.72
Trade Payables	5980.42	5980.42	5980.42	-
Other Financial Liabilities	86.53	86.53	86.53	-

46 TRADE PAYABLES - DISCLOSURES

(₹ in Lakhs)

46.1 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2024

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	674.40	0.08	123.11	-	797.59
(ii) Others	-	-	5594.64	0.23	33.76	-	5628.63
(iii) Disputed Dues- MSME	-	-	-	-	1.76	-	1.76
(iv) Disputed Dues - Others	-	-	0.04	1.15	0.17	-	1.66
Total	-	-	6269.38	1.46	158.80	-	6429.63

46.2 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	1288.28	-	-	-	1288.28
(ii) Others	-	-	4545.15	36.19	-	-	4581.34
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-

47 Disclosure of Loans & Advances to Promoters, Directors , KMPs & the Related Parties

(₹ in Lakhs)

Type of Borrower	As at 31st March, 2024		As on 31st March, 2023	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	2.00	1.98%
Related Parties	7.67	4.10%	2.35	2.32%

Note: During the current and previous reporting period Group has not granted any loan or advances to promoters, directors, KMPs and their relatives except small advances against remuneration and salaries as above.

48 TRADE RECEIVABLES - DISCLOSURES

(₹ in Lakhs)

48.1 Ageing for current trade receivables from the due date of payment for each of the category as at 31st March, 2024

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	107.66	7627.62	978.47	166.19	4.18	84.00	8968.13
(ii) Undisputed Trade Rece , which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	7.32	6.29	7.23	41.62	62.17
(v) Disputed Trade Receivable, which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-				-
Total	107.66	7627.62	985.50	172.48	11.41	125.62	9030.29

Note: There are not any trade receivables which are not due on reporting date.

48.2 Ageing for current trade receivables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	52.27	5953.70	305.76	140.66	67.38	57.20	6577.05
(ii) Undisputed Trade Rece., which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	8.48	10.01	77.19	-	95.68
(v) Disputed Trade Receivable, which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	52.27	5953.70	314.24	150.66	144.56	57.20	6672.73

Note : There are not any trade receivables which are not due on reporting date.

49 The Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, are materially in agreement with Books of Accounts except the following figures of as of 31st March, 2024

(₹ in Lakhs)

Name of Bank	Year	Quarter	Particulars	Amount as per Books of Account	Amount Reported in Stock Statement	Amounts of Difference	Reason for Discrepancies
Axis Bank, ICICI Bank	2023-24	1st	Inventory	6763.15	7623.44	-860.29	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts advances, TDS as per customer / vendor advice
			Trade Receivables	4861.86	4902.49	-40.63	
			Trade Payables	6070.36	6717.39	152.97	
Axis Bank, ICICI Bank	2023-24	2nd	Inventory	4731.92	5798.91	-1066.99	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	9113.27	9547.74	-434.47	
			Trade Payables	6775.50	6452.59	322.91	

Axis Bank, ICICI Bank	2023-24	3rd	Inventory	6703.97	7598.67	-894.76	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	7316.33	7364.02	-47.69	
			Trade Payables	7039.34	6454.89	584.45	
Axis Bank, ICICI Bank	2023-24	4th	Inventory	5782.70	6171.60	-388.91	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	9015.51	8979.32	36.19	
			Trade Payables	6286.58	6035.00	251.59	
Axis Bank, ICICI Bank	2022-23	1st	Inventory	3583.03	4848.20	-1265.17	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4074.87	4453.30	378.43	
			Trade Payables	-4373.17	-4990.20	617.03	
Axis Bank, ICICI Bank	2022-23	2nd	Inventory	2730.93	4100.60	-1369.67	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	5881.62	6036.00	-154.38	
			Trade Payables	-4424.32	4319.00	-105.32	

Axis Bank, ICICI Bank	2022-23	3rd	Inventory	3813.20	4129.00	-315.80	Due to pending finalisation of Qtrly Accounts. Clearing of un-identified receipts, advances, TDS as per customer advice
			Trade Receivables	4634.44	4705.00	-70.56	
			Trade Payables	-4397.96	4315.00	-82.96	
Axis Bank, ICICI Bank	2022-23	4th	Inventory	3593.90	3735.40	-142.50	Due to inclusion of corresponding input taxes on inventory for bank Submission
			Trade Receivables	6704.77	6672.90	31.87	Unbilled Revenue was not part of Trade Receivables submitted to Bank
			Trade Payables	-5310.04	-4984.00	-326.04	Due to pending finalisation of Qtrly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice

50 SEGMENT INFORMATION

A) The principal business of the Group is sale of "Customized Power Electronic Solutions" products. All other activities of the Company revolve around its principal business. The Executive Committee of the Parent Company, has been identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. CODM have concluded that there is only one operating reportable segment as defined under IND AS 108 "Operating Segments", i.e. Customized Power Electronic Solutions.

B) Disaggregation of Revenue from Operations by Geographical Area has been provided at Note No. 32.

C) All Non-Current Assets of the Group are located within India only.

D) **Information about Major Customers**

Following are the details of single customer who contributes 10% or more to the Company's revenue during the year ended 31st March 2024 and 31 March 2023.

Name of Customer	For the Year Ended 31st March, 2024		For the Year Ended 31st March, 2023	
	Revenue	% to total Group's Revenue	Revenue	% to total Group's Revenue
Hitachi Payment Services Private Limited	2498.66	10.85%	-	-
West Bengal Medical Services Corporation Limited	3048.61	11.82%	-	-

51 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per IND AS 8 an entity is required to correct prior period error retrospectivley by restating the comparative amounts for the prior period presented in which the error occured. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earlier prior period presented. Therefore, in terms of provisions of IND AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening balance of retained earnings. However, in current year no such items identified which require such restatement..

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023
Expenses	-
Incomes	-
Total Impact on profits	-
Increase/(Decrease) in EPS (in ₹)	-

52 CAPITAL MANAGEMENT

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year.The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Group is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short term investments. Equity comprises share capital and free reserves. The following table summarizes the capital of the Company:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Share Capital	4287.46	4287.46
Free Reserves	4145.53	1813.21
Equity (A)	**8432.99**	**6100.67**
Cash & Cash Equivalents	53.30	77.04
Short Term Investments	-	-
Total Cash (B)	**53.30**	**77.04**
Short-term Borrowings	3879.70	1802.53
Long-Term Borrowings	461.44	671.09
Total Debt (C)	**4341.14**	**2473.62**
Net Debt (D=(C-B))	**4287.83**	**2396.58**
Net Debt to Equity Ratio (E=D/A)	**0.51**	**0.39**

In order to achieve this overall objective, the group's capital management, amongst other things, aims to ensure that it meets terms and conditions attached to the interest-bearing loans and borrowings that define capital structure requirements

53 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Income		
Export of Goods / Services	4.39	53.56
Expenditure		
Purchase of Goods / Services	5358.87	1866.67
Purchase of Capital Goods	249.46	-
Component & Spares	-	-

54 REVENUE FROM CONTRACTS WITH CUSTOMER'S

(₹ In Lakhs)

a) The disaggregation of the Group Revenue from Customers are given below :

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sale of Products		
Sale of Products	22254.80	21492.38
Sale of Services	1170.44	611.55
Sale of EPC Contracts (Solar)	2368.46	906.91
Other Operating Revenues	18.51	25.48
Financing Component - Retention [Ind AS]	-25.17	0.00
Total Revenue from Contracts with Customers	**25787.04**	**23036.32**

Timing of Revenue Recognition	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Goods/Services Transferred at a Point of Time	22254.80	21492.38
Goods/Services Transferred Over Time	3532.24	1543.94
Total Revenue from Contracts with Customers	**25787.04**	**23036.32**

Geographical disaggregation	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sales in India	25781.15	22985.66
Sales Outside India	5.89	50.66
Total	**25787.04**	**23036.32**

Revenue Disaggregation by Contract Type	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Fixed Price Contracts	25787.04	23036.32
Cost Plus Contracts	-	-
Total	**25787.04**	**23036.32**

Revenue Disaggregation by Customer Type	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Government	7793.14	5314.28
Non-Government	18019.07	17722.04
Other Adjustments	-25.17	-
Total	**25812.20**	**23036.32**

b) Contract Balances

Particulars	As at 31st March 2024	As at 31st March 2023
Trade Receivables	8922.63	6620.46
Contract Assets	107.66	52.27
Contract Liabilities	-	-

Trade Receivables are non-interest bearing and are generally due within 90 days except retention and other money held by the customers as per the governing terms and conditions of the contracts. Contract assets includes Unbilled Revenue as receipt of customer's acceptance is conditional upon successful completion of milestone and certification of installation. Contract Liabilities include advance revenues received from customers i.e excess of Billing over the Revenue

c) Reconciliation of the amount of Revenue from Operations Recognised in the Statement of Profit and Loss with the Contract Prices:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Revenue As per Contract Price	**25756.81**	**23018.19**
Adjustments:		
Less: Opening Balance of Contract Assets	**52.27**	**34.14**
Add: Closing Balance of Contract Assets	**107.66**	**52.27**
Add. Opening Balance of Contract Liabilities	-	-
Less. Closing Balance of Contract Liabilities	-	-
Less: Financing Component (Ind AS)	**25.17**	-
Revenue as per Statement of Profit & Loss	**25787.04**	**23036.32**

55 EMPLOYEE BENEFITS

(₹ in Lakhs)

As per Indian Accounting Standard (Ind AS 19) "Employee benefits", the disclosures as defined are given below:

A. Defined Contribution Plans:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Employer's Contribution to Provident Fund	53.24	60.13
Employer's Contribution to Employee State Insurance Fund	4.55	10.50

B. Defined Benefit Plans

(I) Gratuity Benefits

1.1 (a) Change in Present Value of Obligation during the Period

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Defined Benefit Obligation, Beginning of Period	**90.18**	**77.05**
Interest Cost	6.76	5.59
Current Service Cost	21.59	18.29
Past Service Cost	-	-
Actual Benefits Paid	2.03	-2.13
Actuarial (Gains)/Losses	3.28	-8.62
Defined Benefit Obligation, End of Period	**119.78**	**90.18**

1.1 (b) Bifurcation of total Actuarial (gain) / loss on liabilities

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	2.12	-1.72
Experience Adjustment (gain)/ loss for Plan liabilities	1.16	-6.90
Total amount recognized in other comprehensive income	**3.28**	**-8.62**

1.2 Key results (The amount to be recognized in the Balance Sheet):

Particulars	As at 31st March, 2024	As at 31st March, 2023
Present Value of Obligation at the end of Period	119.78	90.18
Fair value of plan assets at end of Period	-	-
Net liability/(asset) recognized in Balance Sheet and related analyses	119.78	90.18
Funded Status - Surplus/ (Deficit)	**-119.78**	**-90.18**

1.3 (a) Expense recognised during the year in the Statement of Profit and Loss

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest Cost	6.76	5.59
Current Service Cost	21.59	18.29
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Total Expense/(Income) included in "Employee benefit Expense"	**28.36**	**23.88**

1.3 (b) Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Amount recognised in OCI, Beginning of period	**-38.60**	**-29.98**
Actuarial (Gains)/Losses - Obligation	3.28	-8.62
Actuarial (Gains)/Losses - Plan Asset	-	-
Total Actuarial (Gains)/Losses	**3.28**	**-8.62**
Cumulative total Acturial (Gains)/Losses - C/F	**-35.32**	**-38.60**

1.3 (c) Net Interest Costs

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest cost on defined benefit Obligation	6.76	5.59
Interest income on plan assets	-	-
Net interest cost (income)	**6.76**	**5.59**

1.4 Experience Adjustment

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Experience Adjustment (Gain) /loss for Plan Liabilities	1.16	-6.90
Experience Adjustment Gain / (loss) for Plan assets	-	-

2.1 Summary of membership data at the date of valuation and statistics based thereon

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
	Subsidiary Company		Parent Company	
Number of Employees	79	68	170	200
Total monthly Salary (in Lakhs)	10.63	8.65	39.00	39.31
Average Past Service (Years)	1.6	0.9	4.8	3.6
Average Future Service (Years)	25.4	25.6	21.6	23.9
Average Age (Years)	34.6	34.2	38.4	36.1
Weighted Average Duration (based on DCFs) in years	13	16	16	18
Average Monthly Salary (in Lakhs)	0.14	0.13	0.23	0.20
Expected Future Service taking into account Decrements (Years)			15	15

2.2 Actuarial Assumptions

Particulars	As at 31st March, 2024	As at 31st March, 2023
Discount Rate (per annum)	7.50%	7.50%
Salary Escalation rate (per annum)	6.00%	6%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal Rate (Per annum)	5.00%	5%

2.3 Benefits Valued

Particulars	As at 31st March, 2024	As at 31st March, 2023
Normal Retirement Age	60 Years	60 Years
Salary	Last Drawn Qualifying Salary	Last Drawn Qualifying
Vesting Period	5 Years of Service	5 Years of Service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr)	15/26 * Salary * Past Service (yr)
Benefits on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	20.00	20.00

2.4 Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current Liability (Short Term)	19.20	10.99
Non Current Liability (Long Term)	100.58	79.19
Liability/(Asset) recognised in the Balance Sheet	**119.78**	**90.18**

2.5 Effect of plan on entity's future cash flows

(a): Funding arrangements and funding policy - NOT APPLICABLE

(b): Expected contribution during the next annual reporting period

Group's best estimate of Contribution during next year	**14.26**	**23.22**

(c): Maturity profile of defined benefit obligation: Weighted Average

Weighted average duration (based on DCFs) in years (Parent Company)	17	18
Weighted average duration (based on DCFs) in years (Subsidiary)	13	16

(d): Maturity Profile of Defined Benefit Obligation: Weight Average

Particulars	As at 31st March, 2024
1 Apr 2024 to 31 Mar 2025	19.20
1 Apr 2025 to 31 Mar 2026	2.05
1 Apr 2026 to 31 Mar 2027	2.35
1 Apr 2027 to 31 Mar 2028	2.57
1 Apr 2028 to 31 Mar 2029	7.50
1 Apr 2029 Onwards	86.12

2.6 Projection for next period:

Best estimate for contribution during next period	**14.26**	**23.22**

2.7 Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Particulars (Parent Company)	As at 31st March, 2024
Defined Benefit Obligation (Base)	₹111.84 Lakhs@Salary Increase Rate 6% & discount rate.7.25%
Liability with x% increase in Discount Rate	₹ 102.49 Lakhs;x=1.00% [Change (8)%]
Liability with x% decrease in Discount Rate	₹ 122.77 Lakhs;x=1% [Change 10%]
Liability with x% increase in Salary Growth Rate	₹ 122.80 Lakhs;x=1% [Change 10%]
Liability with x% decrease in Salary Growth Rate	₹ 102.30 Lakhs;x=1.00% [Change (9)%]
Liability with x% increase in withdrawal Rate	₹ 112.36 Lakhs;x=1.00% [Change 0%]
Liability with x% decrease in withdrawal Rate	₹ 111.20 Lakhs;x=1.00% [Change (1)%]

Particulars (Subsidiary)	As at 31st March, 2024
Defined Benefit Obligation (Base)	7,93,845 @ Salary Increase Rate 5%, and discount rate :7.25%
Liability with x% increase in Discount Rate	7,49,052 , x=1.00% [Change (6)%]
Liability with x% decrease in Discount Rate	8,46,906 , x=1.00% [Change 7%]
Liability with x% increase in Salary Growth Rate	8,47,584 , x=1.00% [Change 7%]
Liability with x% decrease in Salary Growth Rate	7,47,768 , x=1.00% [Change (6)%]
Liability with x% increase in Withdrawal Rate	7,88,456 x=1.00% [Change (1)%]
Liability with x% decrease in Withdrawal Rate	7,97,208 , x=1.00% [Change 0%]

2.8 Reconcilliation of amounts in Balance Sheet

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance Sheet (Asset)/Liability	90.18	77.05
Total Expense/(Income) recognised in P&L	28.36	23.88
OCI- Actuarial (gain)/ loss Total current period	3.28	-8.62
Benefits Paid (if any)	-2.03	-2.13
Closing gross defined benefit liability/ (asset)	**119.78**	**90.18**

3.1 In preparing this report we have heavily relied on the completeness and accuracy of the information, data and assumptions provided to us orally and in writing by or on behalf of the Group and its advisors. We have not completed any detailed validation checks/investigation on the information, data and assumptions provided, however preliminary broad consistency is viewed in respect of data. As compared to previous valuation assumptions, changes, if any, may be due to change in yield to government bonds/change in entity's long term views for future

3.2 This report is based on going concern basis and as per requirements of Accounting Standard mentioned above and its application to the Plan. These results should not be used for any other purpose. In particular this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels and hence results will not hold good incase Group is closed or mass attriton. This report is provided solely for the Group use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or provided to any third whatsoever is accepted by me for any consequences arising from any third party relying on this report or any advice relating to its contents. In any case, irrespective of vendor agreement etc. liability of undersigned towards entity or anyone is strictly limited to the billed amount for this report. The Group may provide copy of this Report to its auditors along with rules of the plan, but I make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the Group or its auditors in this regard. The Group should draw them provisions of this paragraph to the attention of its auditors.

4.1 **Principal assumptions** are discount rate and salary increase. The discount rate is based upon the yield on govt bonds and the salary increase should take account inflation, seniority, promotion and other relevant factors. However no explicit allowance is used for disability. As per Accounting Standard, selection of appropriate assumption is responsibility of the entity. Though entity has been advised on the suitability wherever applicable, the report is based on assumptions finalized by the entity (after considering long term view entity might have considered these assumptions prudent).

Risk Factors: Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability/expenses and OCI if any.

4.2 Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table. Rates at specimen ages are tabulated below:

Age (Years)	Rates
20	0.000924
25	0.000931
30	0.000977
35	0.001202
40	0.00168
45	0.002579
50	0.004436
55	0.007513
60	0.011162

5. Projected Unit Credit (PUC) Method: Is used to assess the plan liabilities, including those related to death-in-service and incapacity benefits. Under this method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plans accrual formula and service as of the beginning or end of the year, but using final compensation, projected to the age at which the employee is assumed to exit. The plan liability is actuarial present value of the projected accrued benefits as on date of valuation

56 FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a orderly transaction between willing parties, other than in a forced or liquidation sale

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.

Accordingly, fair value of such instruments is not materially different from their carrying amounts. The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Fair value measurement hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

(₹ in Lakhs)

Particulars	Level	Carrying Values		Fair Values	
		As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Financial Assets					
At Amortised Cost					
Trade Receivables		9030.29	6672.73	9030.29	6672.73
Cash & Bank Balances		74.63	85.70	74.63	85.70
Other Financial Assets		2122.08	1967.82	2122.08	1967.82
At FVPTL					
Other Unquoted Equity Instrm	Level 3	-	-	-	-
Other Investments	Level 1	0.15	0.15	0.15	0.15
Loans	Level 3	50.44	40.15	50.44	40.15
Other Financial Assets	Level 3	-	-	-	-
Financial Liabilities					
At Amortised Cost					
Borrowings		4341.14	2473.62	4341.14	2473.62
Other Financial Liabilities		240.36	103.87	240.36	103.87
Trade Payables		5429.63	5960.42	5429.63	5960.42
At FVPTL					
Other Financial Liabilities	-	-	-	-	-

57 STATUTORY GROUP INFORMATION

(₹ in Lakhs)

Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary.

Name of the Entity and Relationship	As At	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of total consolidated net assets	Amount in Rs.	As % of total consolidated profits	Amount in Rs.	As % of total consolidated OCI	Amount in Rs.	As % of total consolidated total comprehensive income	Amount in Rs.
Parent Company	31st Mar, 23	93%	5875.80	107%	2061.42	96.46%	6.22	107%	2067.64
	31st Mar, 24	96%	8262.48	105%	2367.46	32.04%	-0.78	105%	2366.68
Prostarm Energy Systems Private Limited, Subsidiary	31st Mar, 23	7%	440.93	-7%	-130.65	3.54%	0.23	-7%	-130.42
	31st Mar, 24	4%	334.35	-5%	-104.92	67.96%	-1.65	-5%	-106.58

58 MATERIAL PARTLY OWNED SUBSIDIARY

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of incorporation and operation	As at 31st March, 2024	As at 31st March, 2023
Prostarm Energy Systems Private Limited	India, Manufacturing of Customized Power Electronic Solutions	49%	49%

Information regarding non-controlling interest:

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Accumulated balances of material non-controlling interest:		
Prostarm Energy Systems Private Limited	163.83	216.06
Profit/(loss) allocated to material non-controlling interest:		
Prostarm Energy Systems Private Limited	-51.41	-64.02

The summarised financial information of this subsidiary is provided below. This information is based on amounts before inter company eliminations [Prostarm Energy Systems Private Limited]:

Summarised Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Revenue from operations	1934.30	1345.07
Other Income	0.01	0.52
Total Income (i)	**1934.31**	**1345.59**
Cost of Material Consumed	1237.19	1238.15
Purchase of Stock-in-Trade	0	2.07
Changes in inventories of Finished Goods & Work-in-Progress	251.40	-186.86
Employee benefit expenses	402.65	277.72
Finance Costs	0.00	0.50
Depreciation and amortization expenses	62.62	62.28
Other Expenses	126.91	128.16
Total Expenses(ii)	**2075.97**	**1521.96**
Profit/(loss) before tax (i-ii)	141.66	-176.37
Total tax expenses (iv)	-36.73	-45.72
Profit/(loss) (v=iii-iv)	**-104.92**	**-130.65**
Total comprehensive income/(loss)		
Attributable to non-controlling interests	-51.41	-64.02
Dividends paid to non-controlling interests	-	-

Summarised Statement of Assets and Liabilities:

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Inventories and cash and cash equivalents (current)	87.37	602.19
Trade receivables (current)	58.03	2.12
Other assets (current)	31.46	218.60
Property, plant and equipment (non-current)	322.79	371.04
Other assets (non current)	130.57	93.26
Total (A)	**630.22**	**1287.21**
Trade payables (current)	162.99	635.58
Other Liabilities (current)	137.98	153.41
Other Liabilities (non-current)	4.90	57.29
Total (B)	**295.87**	**846.28**
Total equity(A-B)	**334.35**	**440.93**
Attributable to:		
Equity holders of Parent Company	**170.52**	**224.87**
Non controlling interest	**163.83**	**216.06**

Summarised Statement of Cash Flows:

Cash Flows	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Operating	58.34	53.05
Investing	-14.56	-94.86
Financing	-55.00	55.00
Net increase/(decrease) in cash and cash equivalents	**-11.22**	**13.19**

59 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements.

Events Required Adjustment in Financial Statements : Nil

Non-Adjusting Events:

Parent Company has claimed for exemption under Sr. No. 4 of Custom Notification 25/2005 dt. 01.03.2005. However, Customs Department raised objection that the exemption under Sr. No. 4 of Notification 25/2005 dt. 01.03.2005 is available on CTH 8504.40 'Static converter for Automatic Data Processing' (ADP) machines and units thereof and telecommunication apparatus, other than static converters for cellular mobile phones' and thus, exemption can't be given on imported goods which customs dept. has categorised as 'UPS for computer'.

Customs Dept has issued SCN stating that 'UPS is not a static converter for ADP machines and Why the Differential Duty Rs 39,96,770/- should not imposed on subject BOE along with applicable interest and Penalty. Similarly, why differential duty of Rs. 74,50,60,766 with Interest should not be imposed on the past imports.

Parent Company is in process to file submission against those SCNs that the SCN has tried to raise the issues already settled by the higher appellate forum in favour of the assessee in various cases like Cyber Power System India Vs. CC - 2024 . Luminous Electronics Vs. CCE - 2001 (129); Socomec Innovative Power Solutions vs. CC wherein it is held that UPS are eligible for the complete exemption of Notification No. 25/2005 Cus., as the same is capable of being used with ADP machine and that the UPS is a static converter correctly classifiable under sub Heading 8504.40. It is a settled law that doctrine of judicial discipline requires lower authority to comply with the directions of higher courts / tribunal which has not been done in this SCN.

60 OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under Benami Transactions (Prohibition) Act, 1988.

(ii) The Group has not traded or invested in Crypto currency or Virtual Currency

(iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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 Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(iv) The Group has 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

(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

(v) The Group has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period 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).

(vi) The Group is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

(vii) The Group has not revalued its Property, Plant and Equipment and IICL Assets during the year hence regulatory information disclosure is not applicable for the Group.

(viii) The Group has not revalued its Intangible Assets during the year, hence, regulatory information disclosure is not applicable for the Group

(ix) Additional Regulatory information pursuant to amendment in Schedule III of the Companies Act, 2013 dated 24.03.2021 has been given to the extent applicable to the Group

(x) The Group does not have any relationship/transaction with Struckoff Companies and has not entered into any transactions with struckoff companies in the current and previous reporting period.

(xi) The Group is not declared as a Wilful defaulter by any Bank or financial institution or other lender during the any reporting period

61 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

62 MISCELLANEOUS:

(i) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.

(ii) Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof

(iii) Absolute amounts less than Rs. 500 are appearing in the Financial Statements as "0.00" due to presentation in Lakhs

PROSTARM
Power Redefined

Annual Report

For Financial Year 2022-23

PROSTARM INFO SYSTEMS LIMITED

PROSTARM INFO SYSTEMS LIMITED

CIN: - U31900MH2008PLC368540

(FY 2022-2023)

CORPORATE INFORMATION

BOARD OF DIRECTORS	
DIRECTORS	: Mr. Tapan Ghose : Mr. Ram Agarwal : Mr. Vikas Agarwal : Mr. Raghu Thammannashastri : Mr. Goutam Paul : Ms. Mitali Chatterjee : Mr. Bhargav Chatterjee : Mr. Shivkumar Baser : Mr. Ganesh Pansari
CHIEF FINANCIAL OFFICER	: Mr. Abhishek Jain
STATUTORY AUDITORS	**:** M/s Mansaka Ravi & Associates, Chartered Accountants (FRN No. 015023C). : Office no. 17, Palm Beach Arcade, Sector 4, Nerul West, Navi Mumbai, Thane, Maharashtra, PIN - 400706
COMPANY SECRETARY	**:** Mr. Prashant Patankar
REGISTERED OFFICE	**:** Plot No. EL-35 TTC MIDC, Mahape Navi Mumbai Maharashtra 400710 India Contact No.: 9158980000 E-mail: sales@prostarm.com

NOTICE

Notice is hereby given that the 16th Annual General Meeting of the Members of **"Prostarm Info Systems Limited"** will be held on Saturday the 30th day of September, 2023 at 03:30 P.M. at the Registered Office of the company situated at EL-35, TTC MIDC, Mahape, Navi Mumbai, Thane - 400710, Maharashtra, India to transact the following business(s):-

ORDINARY BUSINESS:

(1) To adopt of the Audited Standalone Financial Statements of the company comprising the Balance Sheet as on March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and The Statement of Cash Flows for the year ended on that date and notes thereto for the financial year ended on March 31, 2023 together with the Report of the Board of Directors and Auditors' thereon.

(2) To adopt the Consolidated Balance Sheet as on year ended March 31, 2023, comprising the Consolidated Balance Sheet as on march 31, 2023, 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 for the year then ended March 31, 2023 and notes to the financial statements, including a summary of the material accounting policies and other explanatory information along with the Auditors' Report.

(3) To appoint a Director in place of Mr. Ram Agarwal (DIN:01739245), who retires by rotation and, being eligible, offers himself for re-appointment.

(4) To appoint a Director in place of Mr. Raghu Ramesh Thammannashastri (DIN: 03331642), who retires by rotation and, being eligible, offers himself for re-appointment

SPECIAL BUSINESS:

(5) To re-appoint Mr. Tapan Ghose (DIN: 01739231) as the Chairman and Managing Director for a further period of 5 years:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V thereof and the Article of Association of the Company, members of the Company be and is hereby accorded their approval for re-appointment of Mr. Tapan Ghose (DIN: 01739231) as the Managing Director ("CMD") of the Company for a further period of five years as a Director not liable to retire by rotation, from August 8, 2023, up to August 7, 2028, on the following terms and conditions including remuneration:

I. Remuneration:

Mr. Tapan Ghose will be paid Rs. 18,23,400/- (Rupees Eighteen Lakhs Twenty-Three Thousand Four Hundred Only) per annum inclusive of all benefits and perquisites.

Mr. Tapan Ghose shall also be entitled to a commission of up to 2.5% of net profit for the previous year calculated under section 198 of the Companies Act 2013

II. Mr. Tapan Ghose shall exercise and perform such powers and duties as the Board of Directors (hereinafter called the "Board") may from time to time determine and subject to any directions and restrictions given and imposed by the Board, he shall look after such aspects of the business of the Company which are assigned to him by the Board and performs the duties that may be delegated to him from time to time, subject to the overall supervision and control of the Board.

III. Mr. Tapan Ghose shall faithfully serve the Company and use his utmost endeavour to promote the interest thereof.

IV. Other Terms:

a) Mr. Tapan Ghose shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company or as to any trade secrets or secret processes of the company and shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person from doing so.

b) So long as Mr. Tapan Ghose discharges the functions of CMD, he shall not be paid any fees for attending the meetings of the Board or any Committee(s) thereof of the Company.

c) Subject as aforesaid, he shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.

d) For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Tapan Ghose, CMD will be considered as continuous service with the Company from the date of his joining the Company.

e) The overall remuneration payable in any financial year shall not exceed 5 % of the net profit of the Company calculated in accordance with Section 198 of the Act.

RESOLVED FURTHER THAT the Board of Directors may vary the terms and conditions of re-appointment including remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Act, in such manner as may be agreed between the Board and Mr. Tapan Ghose.

RESOLVED FURTHER THAT where in any financial year, during the currency of tenure of Mr. Tapan Ghose as CMD, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Tapan Ghose, the above remuneration as a minimum remuneration, after complying with the limits and obtaining necessary approvals as specified in Schedule V of the Act.

RESOLVED FURTHER THAT any of the Directors of the Company and/or Mr. Prashant Patankar, Company Secretary of the Company be and are hereby authorized to file the necessary returns to the Statutory Authorities, and to do all such acts, deeds matter, and things as may be considered expedient and necessary to give effect to the above resolution."

(6) To Approve Material Related Party Transaction with Sonu Ram Agarwal.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to section 188 of the Companies Act 2013 read with rule 15 of the Companies (Meetings of Board and its Powers) Rule 2014 as amended from time to time and any other applicable law for time being in force, Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/ arrangement(s)/ transaction(s) and/or enter into and/or carry out new contract(s) arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, with Sonu Ram Agarwal ("Sonu"), a related party of Mr Ram Agarwal CEO and Whole Time Director and Mr. Vikas Agarwal Whole Time Director of the Company on such terms and conditions as may be agreed between the Company and Sonu, for an aggregate value not exceeding ₹30,00,000 (Rupees Thirty Lakhs Only) during FY 23-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary and expedient, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT, all actions taken by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects."

(7) To Ratification of Remuneration of Cost Auditor.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the remuneration of Rs. 75,000 plus applicable tax, reimbursement of out-of-pocket expenses payable to the M/s Y R Doshi & Associates, Cost Accountant (Firm Registration No. 000003) appointed as cost auditor by the Board of Directors of the Company, for the Financial Year 2023-24, be and are hereby ratified and confirmed."

BY ORDER OF THE BOARD

Prashant Patankar
Company Secretary and Compliance Officer
ACS No.: 70121

Date: 05.09.2023
Place: Navi Mumbai

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, in respect of the business as set out in the AGM Notice is annexed hereto.
2.
3. Pursuant to the provisions of Section 105 the Companies 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.

4. Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the company not less than forty-eight hours before the time fixed for the Meeting.

5. A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A Member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

6. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.

7. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting.

8. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company.

9. All the relevant documents referred to in this notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days between 11.00 a.m. and 5.00 p.m. up to the date of the Annual General Meeting i.e. September 30, 2023.

10. In terms of the requirements of the Secretarial Standard on General Meetings (SS-2) Route-map to the venue of the Meeting is provided at the end of this Notice.

11. Copy Forwarded to a) All Directors
    b) M/s Mansaka Ravi & Associates, Statutory Auditors.

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

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), given hereunder sets out all material facts relating to the special business mentioned at Item Nos. 4 to 8 of the accompanying Notice dated September 05, 2023. As additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. of the said Notice:

ITEM NO. 5.

Mr. Tapan Ghose was appointed as Director effective August 1, 2008. He was subsequently appointed as a Managing Director for a term of five years, starting from August 8, 2018, and ending on August 7, 2023. The members of the Company approved this re-appointment, as well as the terms and remuneration payable to Mr. Tapan Ghose, at the 1st/2018-19 Extra Ordinary General Meeting held on August 10, 2018. Thereafter he was appointed as Chairman and Managing Director on March 31, 2023. The said term of Mr. Tapan Ghose as Chairman and Managing Director concluded on August 7, 2023.

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors, at its meeting held on July 10, 2023, re-appointed Mr. Tapan Ghose as Managing Director for the duration of Five year starting from August 8, 2023, until August 7, 2028.

Additionally, the Board at its meeting held on July 10, 2023, approved the remuneration payable to Mr. Tapan Ghose, effective from August 8, 2023, based on the NRC's recommendations. The re-appointment of Mr. Tapan Ghose and his remuneration is subject to approval by the Company's shareholders, as per the relevant provisions of the Companies Act, 2013.

The Board considers Mr. Tapan Ghose's experience and expertise to be beneficial to the Company and therefore recommends his re-appointment as Managing Director, for a duration of seven months, starting from August 8, 2023, until August 7, 2028, as proposed in Resolution no. 5 by way of an ordinary resolution.

The specific areas of expertise of Mr. Tapan Ghose are provided in the Annexure to this Notice. The principal terms and conditions of the re-appointment of Mr. Tapan Ghose as Chairman and Managing Director, including his remuneration and the other terms with respect to appointment of Mr. Tapan Ghose, are as follows:

I. **Remuneration:**

   Mr. Tapan Ghose will be paid Rs. 18,23,400/- (Rupees Eighteen Lakhs Twenty-Three Thousand Four Hundred Only) per annum inclusive of all benefits and perquisites.

   Mr. Tapan Ghose shall also be entitled to a commission of up to 2.5% of net profit for the previous year calculated under section 198 of the Companies Act 2013

II. Mr. Tapan Ghose shall exercise and perform such powers and duties as the Board of Directors (hereinafter called the "Board") may from time to time determine and subject to any directions and restrictions given and imposed by the Board, he shall look after such aspects of the business of the Company which are assigned to him by the Board and performs the duties that may be delegated to him from time to time, subject to the overall supervision and control of the Board.

III. Mr. Tapan Ghose shall faithfully serve the Company and use his utmost endeavour to promote the interest thereof.

IV. Other Terms:

a) Mr. Tapan Ghose shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company or as to any trade secrets or secret processes of the company and shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person from doing so.

b) So long as Mr. Tapan Ghose discharges the functions of CMD, he shall not be paid any fees for attending the meetings of the Board or any Committee(s) thereof of the Company.

c) Subject as aforesaid, he shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.

d) For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Tapan Ghose, CMD will be considered as continuous service with the Company from the date of his joining the Company.

e) The overall remuneration payable in any financial year shall not exceed 5 % of the net profit of the Company calculated in accordance with Section 198 of the Act.

Further, the Company has received consent in writing from Mr. Tapan Ghose to act as a Director in Form DIR-2, eligibility certificate, intimation to the effect that he is not disqualified to be appointed as a director in other companies in Form DIR-8 and declaration disclosing his interest in other entities in Form MBP-1.

The Board recommends the resolutions set out at Item No. 5 of the Notice for your approval as an Ordinary Resolution.

None of the Directors, key managerial personnel and relatives of Directors and/or key managerial personnel, except Mr. Tapan Ghose as defined in the Companies Act, 2013, are concerned or interested in the proposed resolution, except in the ordinary course of business.

ITEM NO. 6

The Board pursuant to the approval of the Audit Committee has appointed Ms. Sonu Ram Agarwal as the employee of the Company.

The Board recommends the resolutions set out in Item No. 6 of the Notice for your approval as an Ordinary Resolution.

None of the Directors, key managerial personnel and relatives of Directors and/or key managerial personnel, except Mr. Ram Agarwal and Mr. Vikas Agarwal as defined in the Companies Act, 2013, are concerned or interested in the proposed resolution, except in the ordinary course of business.

ANNEXURE TO THE NOTICE

Information of director seeking appointment at the forthcoming annual general meeting.

Name of the Director	**Tapan Ghose**	**Ram Agarwal**	**Raghu Ramesh Thammannashastri**
Directors Identification Number	01739231	01739245	03331642
Date of Birth (Age in years)	22/03/1955 (68 Years)	05/05/1980 (43 Years)	18/07/1968 (55 Years)
Original date of appointment	01/08/2008	25/03/2022	31/03/2011
Qualifications	Graduate	Graduate	Graduate
Experience and expertise in specific functional area	Marketing, Finance Operations and Management		
Shareholding in the Company	Nil	12,862,378	Nil
Remuneration last drawn	600,000	4,823,400	2,223,400
No. of Board meetings attended during the year	16	16	8
Terms and conditions of appointment and remuneration	As per the resolution at Item No. 5 of the Notice convening this Meeting read with explanatory statement thereto, Mr. Tapan Ghose (DIN: 01739231) is proposed to be appointed as an Independent Director	Same as approved by the members in Extraordinary General Meeting held on March 11, 2023	Same as approved by the members in Extraordinary General Meeting held on March 20, 2020
Relationship with other Directors or KMPs	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Directorships held in other companies in	Nil	Nil	Nil
Membership / Chairmanship of committees in public	Chairman: Risk Management Committee	Chairman: Nil	Chairman: Nil

Name of the Director	Tapan Ghose	Ram Agarwal	Raghu Ramesh Thammannashastri
limited and listed companies in India	Corporate Social Responsibility Committee Member: Nomination and Remuneration Committee	 Member: Audit Committee	 Member: Corporate Social Responsibility Committee
Justification	Vast experience in the industry.	Vast experience in strategy and production planning, new business ventures and product ideas.	Vast experience in the industry.
Brief Resume of the Director	Mr. Tapan Ghose holds a Bachelor's Degree in Commerce and has been associated with our company since 01.08.2008. He has contributed to the growth and expansion of the Company through his skills and experience. He has vast experience in fields of Marketing, Finance and Operations	Mr. Ram Agarwal holds a Bachelor's Degree in Commerce and has been associated with our company since inception. He has contributed to the growth and expansion of the Company through his skills and expertise in the field mentioned above. He has vast experience in strategy and production planning, new business ventures and product ideas.	Mr. Raghu Thammannashastri holds a Bachelor's Degree in Engineering and has been associated with our company since 2011. He has contributed to the growth and expansion of the Company in the South and currently looks after operations and Service throughout India.

MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	**U31900MH2008PLC368540**
Name of the company	**PROSTAM INFO SYSTEMS LIMITED**
Registered office:	**Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Maharashtra 400710 India**
Name of the member	
Registered address	
E-mail Id:	
Folio No/ Client Id:	

I/We, being the member (s) of ……shares of the above named company, hereby appoint:

1 Name ……..
Address……..
Email Id ……..
Signature ……..
OR failing him

2 Name ……..
Address ……..
Email Id ……..
Signature ……..
OR failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **16th Annual General Meeting** of members of the company, to be held on **Saturday the 30th Day of September, 2023 at 03:30 P.M.** at the Registered Office of the Company situated at **Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Thane - 400710, Maharashtra, India** and at any adjournment thereof in respect of such resolutions as are indicated below.

Sr. No.	Resolution(s)	I/We Assent to the Resolution	I/We Dissent to the Resolution
		For	Against
1.	To adopt of the Audited Standalone Financial Statements of the company comprising the Balance Sheet as on March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and The Statement of Cash Flows for the year ended on that date and notes thereto for the financial year ended on March 31, 2023 together with the Report of the Board of Directors and Auditors' thereon.		
2.	To adopt the Consolidated Balance Sheet as on year ended March 31, 2023, comprising the Consolidated Balance Sheet as on march 31, 2023, 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 for the year then ended March 31, 2023 and notes to the financial statements, including a summary of the material accounting policies and other explanatory information along with the Auditors' Report.		
3.	To appoint a Director in place of Mr. Ram Agarwal (DIN:01739245), who retires by rotation and, being eligible, offers himself for re-appointment.		
4.	To appoint a Director in place of Mr. Raghu Ramesh Thammannashastri (DIN: 03331642), who retires by rotation and, being eligible, offers himself for re-appointment.		
5.	To re-appoint Mr. Tapan Ghose (DIN: 01739231) as the Chairman and Managing Director for a further period of 5 years.		
6.	To Approve Material Related Party Transaction with Sonu Ram Agarwal.		
7.	To Ratification of Remuneration of Cost Auditor		

Please put a 'Tick' in the Box in the appropriate column against the resolution. If you leave the 'For' or 'Against' column blank against the resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this_____ day of_____ 2023

Affix Revenue Stamp of Re. 1 here

Signature of Shareholder Signature of Proxy holder(s)

NOTES:-

1. *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*
2. *A proxy need not to be a member of the Company.*
3. *A person can act as a proxy on behalf of member not exceeding fifty and holding in the aggregate not more than 10% of the total share capital carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.*
4. *In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders shall be stated.*
5. *For resolutions, explanatory statement and notes please refer to the notice of extra ordinary general meeting.*
6. *Please complete all the details including details of member.*

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

I / We hereby record my/our presence at **16th Annual General Meeting** of the Members of **"PROSTARM INFO SYSTEMS LIMITED"** on **Saturday the 30th Day of September, 2023** at the Registered Office of the Company situated at **Plot No. EL-35 TTC MIDC, Mahape, Navi Mumbai, Maharashtra, 400710 India.**

Registered Folio No. / DP ID No. / Client ID No……

Name of the Member……

No. of Shares held……

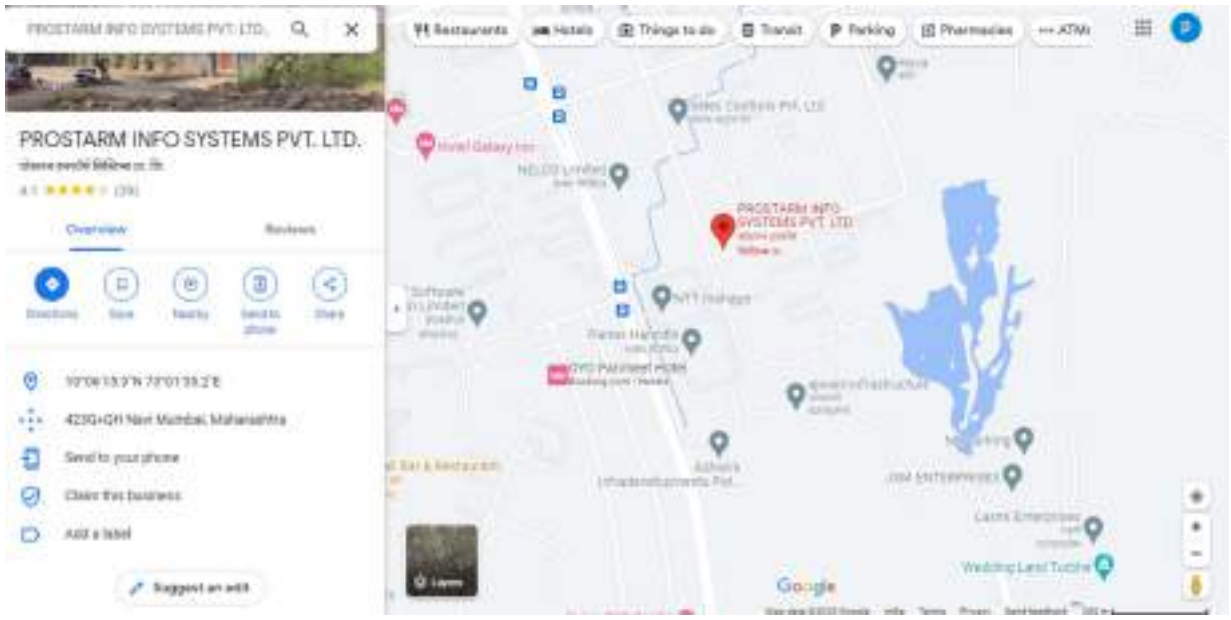
Name of the Proxy holder……
(To be filled if the Proxy attends instead of the Member)

_____
Member's / Proxy Signatures
(To be signed at the time of handing over this slip)

Notes: -

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No./DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.

Map for reaching the venue of the 16th Annual General Meeting of Prostarm Info Systems Limited to be held on Saturday the 30th Day of September, 2023 at 03:30 P.M. at the registered office situated at Plot No. EL-35 TTC MIDC, Mahape, Navi Mumbai, Maharashtra, 400710 India.



DIRECTORS' REPORT

Dear Members,

Your Directors take immense pleasure in presenting the 16th Annual Report of the Company together with the Audited Financial Statement for the financial year ended 31st March 2023.

1. EXTRACT OF THE ANNUAL RETURN:

The copy of the Annual Return in prescribed Form MGT 7 pursuant to the provisions of Section 92 of the Companies Act 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company viz. https://prostarm.com.

2. FINANCIAL SUMMARY & HIGHLIGHTS:

The key highlights of the standalone and consolidated audited financial statements of your Company for the financial year ended 31st March 2023 and comparison with the previous financial year ended 31st March 2023 are summarised below:

Standalone:

(₹. In Lakhs)

Particulars	**Financial Year ended 31st March 2023**	**Financial Year ended 31st March 2022**
Total Income	23121.30	17187.30
Total Expense before Finance Costs, Depreciation/Amortisation and Tax	20068.13	15411.36
Profit before Finance Costs, Depreciation/Amortisation and Tax	3053.17	1775.94
Less: Finance Cost	155.44	82.26
Less: Depreciation and Amortisation Expense	102.53	52.44
Profit before share of Profit/(loss) of a joint venture and tax	2795.20	1641.25
Share of Profit/(Loss) of a Joint Venture	0.00	0.00
Profit before tax	2795.20	1641.25
Tax expenses	733.78	449.62
Profit after taxation	2061.42	1191.63
Earnings per share	4.81	2.78

Consolidated:

(₹. In Lakhs)

Particulars	Financial Year ended 31st March 2023	Financial Year ended 31st March 2022
Total Income	23234.65	17204.77
Total Expense before Finance Costs, Depreciation/Amortisation and Tax	20293.93	15531.25
Profit before Finance Costs, Depreciation/Amortisation and Tax	2940.72	1673.52
Less: Finance Cost	157.09	82.29
Less: Depreciation and Amortisation Expense	164.80	94.10
Profit before share of Profit/(loss) of a joint venture and tax	2618.83	1497.12
Share of Profit/(Loss) of a Joint Venture	0.00	0.00
Profit before tax	2618.83	1497.12
Tax expenses	688.06	412.15
Profit after taxation	1930.77	1084.98
Earnings per share	4.65	2.65

Note:

- Earnings per Share is in absolute figures
- The consolidated figures include the Financial Performance of our Subsidiary Company - Prostarm Energy Systems Private Limited (CIN: U29308PN2021PTC202708).

3. STATE OF COMPANY'S AFFAIRS:

a. Performance of the Company:

During the financial year under review, the Company achieved a turnover of ₹ 22,923.49 Lakhs compared to the ₹ 17,113.26 Lakhs in the previous financial year and earned a net profit of ₹ 2067.64 Lakh as compared to ₹ 1196.70 Lakh in the previous financial year.

The Consolidated turnover of the Company for the year stood at ₹ 23036.05 Lakh as compared to ₹ 17204.77 Lakh in the previous financial year and the consolidated net profit stood at ₹ 1937.22 Lakhs as compared to ₹ 1090.05 Lakh in the previous financial year

b. Performance of Subsidiary Companies/Associate Companies/Joint Ventures:

As on 31st March 2023, the Company had only one subsidiary in the name and style of Prostarm Energy Systems Private Limited.

During the financial year under review, the Subsidiary Company achieved a turnover of ₹ 1345.07 Lakh compared to ₹ 70.33 Lakh during the previous year and incurred loss of ₹ 130.42 Lakh as compared to ₹ 106.65 Lakh in the previous year.

Further, the Company does not have any Joint Ventures or Associate Companies as on 31st March 2023.

4. TRANSFER TO RESERVE:

During the year under review, no amount was transferred to Reserve.

5. DIVIDEND

With a view to ploughing back profit into the business and exploiting more business opportunities, no dividend was declared to equity shareholders during the year under review company.

Further the Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend for the year under review.

6. SHARE CAPITAL:

During the financial year under review the Company has issued and allotted 3,37,90,992 equity shares of ₹ 10 each by way of Bonus Issue of the Equity Shares and therefore paid-up share capital of the Company increased from Rs 9,08,36,000/- (Rupees Nine Crore Eight Lac and Thirty-Six Thousand only) divided into 9,083,600 (Ninety Lakhs Eighty-Three Thousand Six Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 42,87,45,920/- (Rupees Forty Two Crores Eighty-Seven Lakhs Forty Five Thousand Nine Hundred and Twenty Only) divided into 4,28,74,592 (Four Crore Twenty-Eight Lakhs Seventy-Four Thousand Five Hundred Ninety-Two) Equity Shares of Rs.10/- (Rupees Ten Only) each.

Accordingly, as on 31st March 2023, the paid-up Equity Share Capital of the Company stood at Rs. 42,87,45,920/- (Rupees Forty-Two Crores Eighty-Seven Lakhs Forty-Five Thousand Nine Hundred and Twenty Only) divided into 4,28,74,592 (Four Crore Twenty-Eight Lakhs Seventy-Four Thousand Five Hundred Ninety-Two) Equity Shares of Rs.10/- (Rupees Ten Only) each.

7. CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY:

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

8. PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Sections 73 and 76 of the Companies Act 2013, read with Companies (Acceptance of Deposits) Rules, 2014 and hence there were no outstanding deposits and no amount remaining unclaimed with the Company as on 31st March 2023.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

i) Directors retiring by rotation:

- Mr. Vikas Agarwal (DIN: 01940262) and Mr. Tapan Ghose (DIN: 01739231) were re-appointed as the Directors of the company pursuant to the provisions of section 152(6) of the Companies Act, 2013.

- Further, the terms of Mr. Ram Agarwal (DIN: 01739245) and Mr. Raghu Ramesh Thammannashastri (DIN: 03331642) are liable to retire by rotation and are eligible to be re-appointed on the same designations.

- Both the Directors have offered themselves for re-appointment. The Board has recommended their re-election in the notice of the Annual General Meeting.

Pursuant to Secretarial Standards – 2 on General Meetings, brief details of Mr. Ram Agarwal (DIN: 01739245) and Mr. Raghu Ramesh Thammannashastri (DIN: 03331642), are provided as an Annexure to the Notice of the Annual General Meeting.

ii) Re-appointment of Managing Director:

The term of Mr. Tapan Ghose (DIN: 01739231), Chairman and Managing Director of the company shall end on 7th August 2023 and is eligible for reappointment as the Chairman and Managing Director for a further period of five years.

The Board in its meeting held on 10th July 2023 has appointed Mr. Tapan Ghose as Chairman and Managing Director of the Company and has recommended the same in the ensuing Annual General Meeting for his re-appointment. Further, the Company has received consent from Mr. Tapan Ghose to act as the Chairman and Managing Director.

iii) Directors and Key Managerial Personnel of the Company appointed and resigned during the year and up to the date of signing of this report:

As on 31st March 2023, the Board of Directors of the Company comprises of Ten Directors, of which Five are Non-Executive Directors out of which all are Independent Directors, & five are Whole-Time Directors. The constitution of the Board of the Company is in accordance with the provisions of the Companies Act, 2013.

a) Change in Directorship:

During the financial year under review, the following change have been affected in the directorship of the company:

Sr. No	Date	Name of Director	DIN	Nature of Change
1.	09.03.2023	Ram Agarwal	01739245	Change in designation from Executive Director to Whole Time Director
2.	09.03.2023	Mitali Chatterjee	10044949	Appointed as an Additional Non-Executive Independent Director
3.	09.03.2023	Bhargav Chatterjee	10045275	Appointed as an Additional Non-Executive Independent Director
4.	09.03.2023	Goutam Paul	06902493	Appointed as Additional Non-Executive Independent Director
5.	11.03.2023	Mitali Chatterjee	10044949	Change in designation from Additional Non-Executive Independent Director to Non-Executive Independent Director
6.	11.03.2023	Bhargav Chatterjee	10045275	Change in designation from Additional Non-Executive Independent Director to Non-Executive Independent Director
7.	11.03.2023	Goutam Paul	06902493	Change in designation from Additional Non-Executive Independent Director to Non-Executive Independent Director
8.	21.03.2023	Shivkumar Baser	10076598	Appointed as Additional Non-Executive Independent Director
9.	21.03.2023	Ganesh Pansari	10079829	Appointed as Additional Non-Executive Independent Director
10.	22.03.2023	Shivkumar Baser	10076598	Change in designation from Additional Non-Executive Independent Director to Non-Executive Independent Director
11.	22.03.2023	Ganesh Pansari	10079829	Change in designation from Additional Non-Executive Independent Director to Non-Executive Independent Director
12.	25.03.02023	Harsh Jodhani	08829270	Cessation as an Independent Director
13.	25.03.2023	Aniruddha Oke	00330438	Cessation as an Independent Director
14.	31.03.2023	Vikas Agarwal	01940262	Change in designation from Chairman and Non-Executive Director to Whole Time Director
15.	31.03.2023	Tapan Ghose	01739231	Change in designation from Managing Director to Chairman & Managing Director

b) <u>Change in Key Managerial Personnel other than Directors:</u>

There have been the following changes regarding the Key Managerial Personnel (other than Directors) of the company during the year under review.

- Ms. Sonu Agarwal has resigned as Chief Financial Officer of the Company w.e.f. 24th January 2023.
- Mr. Abhishek Jain has been appointed as Chief Financial Officer of the Company w.e.f. 24th January 2023.
- Mr. Prashant Patankar has been appointed as the Company Secretary w.e.f. 24th January 2023.

iii) Key Managerial Personnel:

Mr. Ram Agarwal (CEO & Whole-Time Director), Mr. Tapan Ghose Chairman & Managing Director, Mr. Abhishek Jain (Chief Financial Officer) & Mr. Prashant Patankar (Company Secretary) are the Key Managerial Personnel of the Company as on 31st March 2023.

iv) Declaration by Independent Directors:

In terms of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors are appointed for a term of 5 years and are not liable to retire by rotation.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

10. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for appointment and remuneration of Directors, Senior Management Personnel including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013.

Abstract of Nomination and Remuneration Policy is as under:

I. Policy for Appointment and Removal of Director, Key Managerial Personnel and Senior Management:

a) 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 his / her appointment, as per Company's Policy.
b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
c) 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.

Criteria for determining qualifications, positive attributes and independence of Director's is as under:

a. Nominees to the Board will be leaders in their field, have broad experience, show familiarity with national and international issues, possess sound business judgment, and have other attributes that will enhance shareholder value.
b. The Board will seek acting or former executive officers of complex businesses, leading academics, successful entrepreneurs and individuals who will add diversity to the Board.
c. The Board will possess experiences and core competencies that are essential to the success of the Company having regard to the nature of its business.
d. Each Director also should:
    i. Possess fundamental qualities of intelligence, perceptiveness, good judgment, maturity, high ethics and standards, integrity and fairness.
    ii. Have a genuine desire to contribute to the Company and a recognition that, as a member of the Board, one is accountable to the shareholders of the Company, not to any particular interest group.
    iii. Have, as a general rule, a background that includes broad business experience or demonstrates an understanding of business and financial affairs and the complexities of a large, multifaceted, global business organization.
    iv. Be the present or former Chief Executive Officer, Chief Operating Officer, whole time director or substantially equivalent level executive officer of a highly complex organization such as a Company, university or major unit of government, or a professional who regularly advises such organizations.
    v. Have no irreconcilable conflict of interest or legal impediment which would interfere with the duty of loyalty owed to the Company and its shareholders.
    vi. Have the ability and be willing to spend the time required to function effectively as a Director.
    vii. Be compatible and able to work well with other Directors and executives in a team effort with a view to a long-term relationship with the Company as a Director.
    viii. Have independent opinions and be willing to state them in a constructive manner.
e. Directors will be selected on the basis of talent and experience without regard to race, religion, sex or national origin. The Company seeks a Board with a diversity of background among its members and a Board that will possess certain core competencies.
f. Apart from the above the independent director nominees/candidates/re-appointees shall be required to be independent of the company in terms of the provisions of Section 149(6) of the Companies Act, 2013 (including rules thereto) and as per the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

II. Policy For Remuneration to Directors / KMP/ Senior Management Personnel:

1) Remuneration to Managing Director/Whole-time Directors:

a) The Remuneration /Commission etc. to be paid to the Managing Director /Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director /Whole-time Directors.

2) Remuneration to Non-Executive /Independent Directors:

a) The Non-Executive /Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non-Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d) Any remuneration paid to Non-Executive /Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause(b) above if the following conditions are satisfied:
   i) The Services are rendered by such Director in his capacity as the professional; and
   ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.

c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, etc. as decided from time to time.

d) The Incentive pay shall be decided based on the balance between the performance of the Company and the performance of the Key Managerial Personnel to be decided annually or at such intervals as may be considered appropriate.

11. PARTICULARS OF REMUNERATION:

i. DETAILS OF TOP 10 EMPLOYEES OF THE COMPANY

During the financial year under review, no employee was in receipt of remuneration exceeding the limits as prescribed under provisions of Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ii. REMUNERATION PAID/ PAYABLE TO THE DIRECTORS AND KMP OF THE COMPANY

During the year under review, no Director was in receipt of remuneration exceeding the limits as prescribed under provisions of Section 197, Schedule V of the Companies Act, 2013. Further, the remuneration of Directors and Key Managerial Personnel are as follows:

Remuneration Paid to the Directors during the Year:

(₹. In Lakhs)

Name of Director/KMP	Designation	Remuneration paid
Mr. Tapan Ghose	Chairman and Managing Director	6.23
Mr. Ram Agarwal	CEO & Whole Time Director	48.23
Mr. Raghu Thammannashastri	Whole Time Director	22.43
Ms. Sonu Agarwal	CFO & Whole Time Director	24.23
Mr. Abhishek Jain	CFO	5.22
Mr. Prashant Patankar	Company Secretary	1.35
Mr. Vikas Agarwal	Non-Executive Director	6.00

Remuneration Payable to the Directors as on 31st March 2023:

(₹. In Lakhs)

Name of Director/KMP	Designation	Remuneration paid
Mr. Goutam Paul	Independent Director	0.20
Mr. Bhargav Chatterjee	Independent Director	0.28
Mr. Ganesh Pansari	Independent Director	0.10
Mr. Shivkumar Baser	Independent Director	0.10
Ms. Mitali Chatterjee	Independent Director	0.20

12. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3)(c) of the Act, the Board of Directors states and confirms that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
b. 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 of the company for that period;

c. 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;
d. the directors have prepared the annual accounts on a going concern basis;
e. 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; and
f. 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.

13. MEETINGS OF THE BOARD OF DIRECTORS:

The Board meets at regular intervals to discuss and decide on Company's business policy and strategies apart from other urgent business matters. The date of meetings of the Board of Directors and Committee are informed to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent meeting of the Board of Directors.

The notice of meeting of the Board of Directors and Committees is given well in advance to all the Directors of the Company. Usually, meetings of the Board are held at the Correspondence address of the Company. The agenda of the Board / Committee meetings are circulated as per the provisions of section 173 of the Companies Act 2013 and Secretarial Standard on meetings of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India ('ICSI'). The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the Financial Year 2022-23, the Board of Directors met 16 (Sixteen) times on:

Sr. No	*No of Meeting*	*Date of Meeting*	*Sr. No.*	*No of Meeting*	*Date of Meeting*
1.	01/2022-23	09.04.2022	9.	09/2022-23	15.09.2022
2.	02/2022-23	12.04.2022	10.	10/2022-23	01.12.2022
3.	03/2022-23	09.05.2022	11.	11/2022-23	24.01.2023
4.	04/2022-23	25.05.2022	12.	12/2022-23	21.02.2023
5.	05/2022-23	17.06.2022	13.	13/2022-23	09.03.2023
6.	06/2022-23	28.07.2022	14.	14/2022-23	11.03.2023
7.	07/2022-23	10.08.2022	15.	15/2022-23	21.03.2023
8.	08/2022-23	03.09.2022	16.	16/2022-23	31.03.2023

Some of the meetings were held through Video Conferencing as permitted under provisions of the Companies Act 2013.

The intervening gap between two consecutive meetings was within the maximum period mentioned under Section 173 of the Companies Act 2013.

The attendance of Directors at the Meeting of the Board of Directors for Financial Year 2022-23 is as under:

Sr. No.	Name of Directors	Designation	No. of Board meeting Held / entitled to attend	No. of Board meeting Attended
1	Tapan Ghose	Chairman and Managing Director	16	16
2	Ram Agarwal	CEO &Whole-time Director	16	16
3	Vikas Agarwal	Whole-time Director	16	16
4	Raghu Thammannashastri	Whole-time Director	16	8
5	Sonu Ram Agarwal	Whole-time Director	16	16
6	Mitali Chatterjee	Independent Director	3	1
7	Bhargav Chatterjee	Independent Director	3	2
8	Goutam Paul	Independent Director	3	2
9	Shivkumar Baser	Independent Director	1	1
10	Ganesh Pansari	Independent Director	1	1
11.	Harsh Jodhani	Independent Director	15	8
12.	Aniruddha Oke	Independent Director	15	15

14. ANNUAL EVALUATION OF THE PERFORMANCETHE OF BOARD:

Pursuant to the provisions of the Companies Act, 2013, a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and Individual Directors. Schedule IV to the Companies Act, 2013, states that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria.

The Board has carried out evaluation of its own performance of all, the Directors individually as well as the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee of the Company for the financial year 2022-23. The Board has devised

questionnaire to evaluate the performances of each of Executive, Non-Executive and Independent Directors. Such questions are prepared considering the business of the Company and the expectations that the Board have from each of the Directors. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

i. Attendance at Board Meetings and Committee Meetings;
ii. Quality of contribution to Board deliberations;
iii. Strategic perspectives or inputs regarding the future growth of the Company and its performance;
iv. Providing perspectives and feedback going beyond the information provided by the management.

15. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the code of Independent Directors under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on January 24, 2023, to review, among other things, the performance of non-Independent Directors and the Board as a whole, evaluation of the performance of the Chairman and the flow of communication between the Board and the management of the Company.

16. COMMITTEES OF THE BOARD:

During the year under review, consequent to the changes in the Board of Directors, the Committees of the Board were re-constituted in accordance with the provisions of the Companies Act, 2013. There are 5 (five) Committees of the Board which are as follows:

a. Audit Committee
b. Nomination and Remuneration Committee
c. Corporate Social Responsibility (CSR) Committee
d. Risk Management Committee
e. IPO Committee

The composition of various Committee/s, meetings held and attended by the members is detailed below:

a. AUDIT COMMITTEE:

The Audit Committee is duly constituted in accordance with the provisions of Section 177 of the Companies Act, 2013. The Audit Committee met five times during the financial year 2022-23 viz. on:

i. 09.04.2022
ii. 10.08.2022
iii. 03.09.2022
iv. 09.03.2023
v. 21.03.2023

The composition of the Audit Committee was changed on March 21, 2023. The composition and the number of meetings attended by each member during the year 2022-23 are as follows:

Name of Members	Designation	Category	No. of Committee Meetings	
			Held/ entitled	Attended
Harsh Jodhani	Chairman (till 21.03.2023)	Non-executive, Independent Director	5	5
Aniruddha Oke	Member (till 21.03.2023)	Non-executive, Independent Director	5	5
Vikas Agarwal	Member (till 21.03.2023)	Whole Time Director	5	5

The composition of the Audit Committee as on March 31, 2023, and the number of meetings attended by each member during the year 2022-23 are as follows:

Name of Members	Designation	Category	No. of Committee Meetings	
			Held/ entitled	Attended
Mr. Bhargav Chatterjee	Chairman	Non-executive, Independent Director	0	0
Mr. Shivkumar Baser	Member	Non-executive, Independent Director	0	0
Mr. Goutam Paul	Member	Non-executive, Independent Director	0	0
Mr. Ram Agarwal	Member	CEO and Whole Time Director	0	0

The Company Secretary of the Company acts as a Secretary to the Committee.
During the year under review, the Board has accepted all recommendations of the Audit Committee and accordingly, no disclosure is required to be made in respect of non-acceptance of any recommendation of the Audit Committee by the Board.

The Audit Committee of the Company reviews the reports to be submitted to the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process.

Terms of Reference for the Audit Committee:

The Audit Committee shall be responsible for, among other things as may be required by the stock exchange(s) from time to time and the following in supersession of the previous terms of reference of the Audit Committee:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference

(2) to seek information from any employee

(3) to obtain outside legal or other professional advice; and

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to Prostarm Info Systems Limited (the "**Company**") to ensure that the financial statements are correct, sufficient and credible

(2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor of the Company and the fixation of the audit fee

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given

(6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
b. Changes, if any, in accounting policies and practices and reasons for the same
c. Major accounting entries involving estimates based on the exercise of judgment by management
d. Significant adjustments made in the financial statements arising out of audit findings
e. Compliance with listing and other legal requirements relating to financial statements
f. Disclosure of any related party transactions; and
g. Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval

(8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board of directors of the Company (the "**Board**" or "**Board of Directors**") to take up steps in this matter

(9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process

(10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(11) approval of Related party transaction to which the subsidiary is a party

(12) scrutiny of inter-corporate loans and investments

(13) valuation of undertakings or assets of the Company, wherever it is necessary

(14) evaluation of internal financial controls and risk management systems

(15) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems

(16) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit

(17) discussion with internal auditors of any significant findings and follow up there on

(18) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board

(19) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

(20) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services

(21) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors

(22) reviewing the functioning of the whistle blower mechanism

(23) monitoring the end use of funds raised through public offers and related matters

(24) overseeing the vigil mechanism established by the Company, with the chairperson of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases

(25) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate

(26) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision

(27) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time

(28) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(29) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations, Companies Act, 2013, uniform listing agreements and/or any other applicable law, as and when amended from time to time."

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations
b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
c) Management letters / letters of internal control weaknesses issued by the statutory auditors
d) Internal audit reports relating to internal control weaknesses
e) The appointment, removal and terms of remuneration of the chief internal auditor; and
f) Statement of deviations in terms of the SEBI Listing Regulations:
    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and

b. annual statement of funds utilised for purposes other than those stated in the Issue document/prospectus/notice in terms of the SEBI Listing Regulations.

g) review the financial statements, in particular, the investments made by any unlisted subsidiary

h) Such information as may be prescribed under the Companies Act and SEBI Listing Regulations

b. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is duly constituted in accordance with provisions of Section 178 of the Companies Act, 2013. During the year under review Nomination and Remuneration Committee met two times during the financial year 2022-23 viz. on:

i. April 9, 2022;
ii. January 24, 2023;
iii. March 9, 2023;
iv. March 21, 2023;
v. March 31, 2023

The composition of Nomination and Remuneration Committee was changed on March 21, 2023. The previous composition and the number of meetings attended by each member during the year 2022-23 are as follows:

Name of Members	Designation	Category	No. of Committee Meetings	
			Held/ entitled to attend	Attended
Mr. Harsh Jodhani	Chairman (till 21st March 2023)	Non-executive, Independent Director	4	4
Mr. Aniruddha Oke	Member till 21st March 2023)	Non-executive, Independent Director	4	4
Mr. Vikas Agarwal	Member till 31st March 2023)	Non-executive, Independent Director	5	5

The composition of Nomination and Remuneration Committee as on March 31, 2023, and the number of meetings attended by each member during the year 2022-23 are as follows:

Name of Members	Designation	Category	No. of Committee Meetings	
			Held/ entitled to attend	Attended
Ms. Mitali Chatterjee	Chairman	Non-executive, Independent Director	1	1
Mr. Bhargav Chatterjee	Member	Non-executive, Independent Director	0	0
Mr. Ganesh Pansari	Member	Non-executive, Independent Director	1	1
Mr. Tapan Ghose	Member	Chairman & Managing Director	0	0

The Company Secretary of the Company acts as a Secretary to the Committee.

Terms of Reference for the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following, in supersession of the previous terms of reference of the Nomination and Remuneration Committee:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "**Board**" or "**Board of Directors**") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

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

(3) Formulation of criteria for evaluation of independent directors and the Board

(4) Devising a policy on Board diversity

(5) 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 their appointment and removal and carrying out an evaluation of every director's performance (including the independent director)

(6) Analysing, monitoring and reviewing various human resource and compensation matters;

(7) Deciding 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

(8) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors

(9) Recommending to the board, all remuneration, in whatever form, payable to non-executive directors and the senior management and other staff, as deemed necessary

(10) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time

(11) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws

(12) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable

(13) Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:

i. Determining the eligibility of employees to participate under the ESOP Scheme
ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate
iii. Date of grant
iv. Determining the exercise price of the option under the ESOP Scheme
v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct
vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period
vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee
viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period
ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares
x. The grant, vest and exercise of option in case of employees who are on long leave
xi. Allow exercise of unvested options on such terms and conditions as it may deem fit
xii. The procedure for cashless exercise of options
xiii. Forfeiture/ cancellation of options granted

xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(14) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme

(15) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(16) Specifying the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance

(17) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

Board Evaluation:

At Prostarm we believe that it is the collective effectiveness of the Board as a whole that impact Company's performance which is a, the primary evaluation platform. Board performance is assessed against the roles and responsibilities of the Board as provided in the Act. Independent Directors of your Company met on January 24, 2023 to evaluate the performance of the Board and the executive and non-executive directors of the Company as per the criteria laid down by the Nomination and Remuneration Committee.

c. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility (CSR) Committee is duly constituted in accordance with to the provision of Section 135 of the Companies Act, 2013. During the year under review, the CSR Committee met one time on January 24, 2023;

The composition of CSR Committee as on March 31, 2023, and the number of meetings attended by each member during the year 2022-23 are as follows:

Name of Members	Designation	Category	No. of Committee Meetings	
			Held/ entitled to attend	Attended
Mr. Harsh Jodhani	Chairman	Non-executive, Independent Director	1	1
Ms. Sonu Agarwal	Member	Whole-Time Director	1	1
Mr. Tapan Ghose	Member	Chairman and Managing Director	1	1

The composition of CSR Committee as on March 31, 2023, and the number of meetings attended by each member during the year 2022-23 are as follows:

Name of Members	Designation	Category	No. of Committee Meetings	
			Held/ entitled to attend	Attended
Ms. Sonu Agarwal	Chairman	Whole-Time Director	1	1
Mr. Tapan Ghose	Member	Chairman and Managing Director	2	2
Mr. Bhargav Chatterjee	Member	Non-executive, Independent Director	0	0

The Company Secretary of the Company acts as a Secretary to the Committee.

Terms of reference:

The brief description of terms of references of the Corporate Social Responsibility Committee as on March 31, 2023 is as follows:

1. Formulate and recommend to the Board, a Corporate Social Responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;

2. Recommend the amount of expenditure to be incurred on the corporate social responsibility activities;

3. Monitor the Corporate Social Responsibility policy and projects of the Company from time to time;

4. Institute a transparent monitoring mechanism for the implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;

5. Approve corporate social responsibility activities to be undertaken by the Company;

6. Report on corporate social responsibility activities undertaken by the Company;

7. Provide responsibility statement that the implementation and monitoring of corporate social responsibility policy is in compliance with corporate social responsibility objectives and policy of the Company.

17. AUDITORS:

i. STATUTORY AUDITORS:

M/s Mansaka Ravi and Associates, Chartered Accountants (FRN No. 015023C) are the Statutory Auditors of the Company.

There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors in their Report dated 10th July 2023. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

ii. COST AUDITORS:

During the year under review the provisions of Section 148 of the Act, read with Companies (Cost Record and Audit) Rules, 2014 were not applicable to the Company.

iii. SECRETARIAL AUDITORS:

During the year under review the provisions of Section 204 of the Act, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, were not applicable to the Company.

iv. INTERNAL AUDITORS:

During the year under review the provisions of Section 138 of the Act, read with Companies (Accounts) Rules, 2014, was not applicable to the Company.

v. INTERNAL FINANCIAL CONTROL:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company Policies, safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The Audit Committee evaluates the efficiency and adequacy of financial control system in the Company, its compliance with operating systems, and accounting procedures at all locations of the Company and strives to maintain a high standard of Internal Financial Control.

18. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS:

Pursuant to Section 143(12) of the Companies Act, 2013, during the year under review there were no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors. Hence, there is nothing to report under Section 134(3)(ca) of the Companies Act, 2013.

19. VIGIL MECHANISM POLICY:

The Company is committed to adhering to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards the Company encourages the employees to raise their genuine concerns without fear of criticism. Therefore, it has built-in and set up the Vigil Mechanism, under this mechanism all the employees and Directors of the Company are eligible to make disclosures in relation to matters concerning the Company.

We affirm that during the year under review, no employee or Directors were denied access to the Audit Committee. The Vigil Mechanism Policy is available on the website of the Company https://prostarm.com/

20. CORPORATE SOCIAL RESPONSIBILITY INITIATIVE:

Pursuant to the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility) Rules, 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. As part of its initiatives under CSR, the Company has identified various projects. These projects are in accordance with Schedule VII of the Act. The Policy on Corporate Social Responsibility is available on the website of the Company viz https://prostarm.com/

The Annual Report on CSR activities is annexed as **Annexure B** and forms part of this report.

21. MAINTENANCE OF THE COST RECORDS:

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required by the Company and accordingly such accounts and records not been maintained by the Company.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to the conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure D** and forms part of this Report.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review Company did not provide any loan guarantee or investments under Section 186 of the Act.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the Related Party Transactions entered during the financial year except ones disclosed in Form AOC-2 were in the ordinary course of the business and on arm's length basis and the same are reported in the Notes to the Financial Statements. No Material Related Party Transactions were entered during the year by your Company. The policy on Related Party Transactions as approved by the Board is available on the Company's website viz. https://prostarm.com/

Accordingly, disclosures of Related Party Transactions as required under Section 134(3) of the Act, in form AOC-2 is annexed as **Annexure C** to this report.

25. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

26. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company or will have bearing on company's operations in future.

27. RISK AND AREAS OF CONCERN:

The major risks faced by your Company are on account of volatility in the prices of its raw materials and foreign exchange rates. The Company has laid down a well-defined Risk Management Policy to mitigate its risks, covering risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is carried out by the employees designated by Board to identify, evaluate, manage and monitor both business and non-business risks. In this regard, your Company continues to exercise prudence in its inventory control and hedging policies. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

The following are the key risks faced by the Company and mitigation plans for each of those risks:

RISK	RISK DESCRIPTION	MITIGATION PLAN
COMPETITION RISK	Company is engaged in dealing in products related to solar energy, there are many company who are also in same category of business which may affect the company's market share and its revenue.	Company identifies regularly upcoming changes in the area of solar energy and try to mitigate competition having expansion of new facilities equipped with better technologies and know-

		how which lessen risk of competition
REGULATORY RISK	Company has to comply with extant laws and regulations prevailing in the country of its operations. These regulation can affect the development, manufacturing, approval, marketing and distribution of its products. Changes in the country's laws or regulations also throw new challenges of compliance.	Company has good quality assurance mechanism and compliance monitoring network to ensure compliance. It also organizes regular training for its employees to update them on new developments.
GLOBAL ECONOMIC VOLATILITY RISK	Company has business dealings in few foreign countries. Each of these markets presents a different economic and political risk along with the ever present threat of natural disasters.	The company have a small presence in foreign markets. There was export of Rs. 34.12 Lakhs exports in the year under review. Therefore, it is not much affected by global economic Volatility
FOREIGN EXCHANGE RISK	The Company expends a part of its revenue in foreign exchange for importing, thus exposing it to the volatility in the exchange rates. This can have an adverse effect on its earnings.	The Company does meticulous monitoring of foreign exchange volatility and works to mitigate risk.

28. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and the Company complies with all the applicable provisions of the same during the year under review.

29. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under.

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment.

The Company did not receive any complaints of sexual harassment during the year 2022-23.

30. THE DETAILS OF THE APPLICATIONS MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

During the year under review there are no application made or any proceeding pending by/ against the Company under the Insolvency and Bankruptcy Code, 2016.

31. OTHER INFORMATION

a. **Green Initiative:**

To support the "Green Initiative" undertaken by the Ministry of Corporate Affairs (MCA), to contribute towards a greener environment, the Company has already initiated / implemented the same. As permitted, delivery of notices, documents, annual reports etc. are being sent to shareholders via electronic mode.

b. General:

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

1) Issue of equity shares with differential rights as to dividend, voting or otherwise.
2) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save
3) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
4) There was no instance of onetime settlement with any Bank or Financial Institution.

32. ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the continuous cooperation, assistance and support extended by all stakeholders, Government Authorities, Financial Institutions, Banks, Customers, Dealers, Suppliers, Consultants, Solicitors and Shareholders of the Company. Your Directors also acknowledge and appreciate the contribution made by dedicated and loyal employees

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
(DIN: 01739231)
Date: 19.07.2023
Place: Navi Mumbai

Ram Agarwal
Whole Time Director & CEO
(DIN: 01739245)

ANNEXURE-A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. in Lakhs unless expressly stated)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Prostarm Energy Systems Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA
4.	Share capital	₹ 678.00
5.	Reserves & surplus	(₹ 237.07)
6.	Total assets	₹1,287.21
7.	Total Liabilities	₹1,287.21
8.	Investments	₹ 0.10
9.	Turnover	₹1,345.07
10.	Profit before taxation	(₹ 176.36)
11.	Provision for taxation	(₹45.72)
12.	Profit after taxation	(₹130.65)
13.	Proposed Dividend	₹ 0
14.	% of shareholding (in actual)	51

Part "B": Associates and Joint Ventures

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

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			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
(DIN: 01739231)

Ram Agarwal
Whole Time Director & CEO
(DIN: 01739245)

Date: 19.07.2023
Place: Navi Mumbai

ANNEXURE B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Giving back to the society is embedded in the value system of Prostram and we believe and aim to bring about a positive change in the nation. For the past 1 decade, Prostarm has been at the forefront in conducting impactful camps and driving numerous workshops for different sections of the Society. As an integral part of our commitment to Good Corporate Citizenship, we at Prostarm Info Systems Limited, believe in actively assisting in improvement of the quality of life of people in our communities. We believe, we not only exist for doing good business but also, for ensuring the betterment of the society.

We actively contribute to ensure that the people living in local areas around our business operations lead a good quality life. Towards achieving long-term stakeholder value, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and the marginalized.

The CSR Policy ('the Policy') of the Company as approved by the Board is available on the Company's website. The Company's CSR is in alignment with the initiatives undertaken by it. The foundation set up by the Committee is empowering & developing young girls who are below poverty line and providing reproductive health education to the masses. Also, various skills are being provided for financial independence and imparting knowledge and training to the underprivileged.

For details of the CSR Policy along with projects and programs, kindly refer to the following weblink:

2. Composition of CSR Committee:

Name of Members	Designation	Category	No. of Committee Meetings	
			Held	Attended
Ms. Sonu Agarwal	Chairman	Whole-Time Director	1	1
Mr. Tapan Ghose	Member	Chairman and Managing Director	1	1
Mr. Bhargav Chatterjee	Member	Non-executive, Independent Director	0	0

3. Web-link

Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are placed on the website of the Company whose we-link is https://prostarm.com/

4. **Impact Assessment**

As the total outlay of the CSR does not exceeds Rs. 10,00,00,000/- (Rupees Ten Crores Only) in the preceding three financial year and none of the independent project with an outlay of Rs. 1,00,00,000/- (Rupees One Crore Only) is completed during last one year the company is not required to get its project assessed from an independent agency.

5. **Details of the amount available for set off**

There was no excess amount available from any previous financial years which could be set off during the year under review under the provisions of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Calculations

(₹ in Lakhs)

Sr. No.	Particulars	Amount
	Calculation of Net Profit under section 198 of Companies Act 2013	
	Net Profit for FY 2019-20	920.93
	Net Profit for FY 2020-21	1127.13
	Net Profit for FY 2021-22	1,643.22
	Average Net Profit (Sum of profit available for CSR expenditure / 3	1,230.43
	CSR Expenditure	
a.	2% of Average Net Profit	24.61
b.	Surplus arising out of CSR project or programmes or activities of the previous financial years	Nil
c.	Amount required to be set off for the financial year, if any	0.65
d.	Total CSR obligation for the financial year (7a+ 7b-7c).	23.95

8. (A) CSR amount spent or unspent for the financial year

(₹ in Lakhs)

Particulars	Amount
Total Amount Spent for the Financial Year	25.00
Total Amount (in Rs.) transferred to Unspent CSR Account as per section 135(6).	0
Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). Name of Fund: Amount: Date of Transfer:	
Total unspent amount	0

(B) Details of CSR amount spent against ongoing projects for the financial year:

(C) Details of CSR amount spent against other than ongoing projects for the financial year:

1)	2)	3)	4)	5)		6)	7)	8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the Project		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing Agency	
				State.	District.			Name	CSR registration number.
1.	Vocal Training for reaching unpreached	special education	No	Gujrat	Ahmedabad	25.00	No	Ragini Bipinchadra Seva Karya Trust	CSR00012645

(D) Amount spent in administrative overheads: NA

(E) Amount spent on Impact Assessment, if applicable: NA

(F) Total amount spent for the Financial Year (8b+8c+8d+8e)
(G) Excess amount for set off, if any

Sl No.	**Particulars**	**Amount (In INR.)**
i.	Two percent of average net profit of the company as per section 135(5)	24.61
ii.	Total amount spent for the Financial Year	25.00
iii.	Excess amount spent for the financial year [(ii)-(i)]	0.39
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.39

9) (A) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.
	2020-21	0.00	11.70	0	0	0
	2021-22	0.00	17.50	0	0	0

(B) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

a.	b.	c.	d.	e.	f.	g.	h.	i.
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was concerned	Project Duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (In INR)	Cumulative amount spent at the end of reporting Financial Year (In Rs.)	Status of project Implementing
	Total							

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
(DIN: 01739231)

Ram Agarwal
Whole Time Director & CEO
(DIN: 01739245)

Date: 19.07.2023
Place: Navi Mumbai

ANNEXURE C

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

A. Details of contracts or arrangements or transactions not at arm's length basis: NA

Particulars	Amount
Name(s) of the related party and nature of relationship	
Nature of contracts/ arrangements/ transactions	
Duration of the contracts/ arrangements/ transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date of approval by the Board	
Amount paid as advances, if any:	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

B. Details of material contracts or arrangements or transactions at arm's length basis

i. Transaction with Ram Agarwal for payment of renting of Property

Particulars	**Amount**
Name(s) of the related party and nature of relationship	Ram Agarwal
Nature of contracts/ arrangements/ transactions	Renting of the Property
Duration of the contracts/ arrangements/ transactions	Unless mutually terminated
Salient terms of the contracts or arrangements or transactions including the value, if any	The Company has rented its property situated at Palm Beach Road, Seawoods to Mr. Ram Agarwal at monthly rent of ₹20,000 for residential purpose
Date of approval by the Board	29.04.2022
Amount paid as advances, if any:	**Nil**

ii. **Transaction with Jayanti Ghose for appointment in place of Profit**

Particulars	**Amount**
Name(s) of the related party and nature of relationship	Jayanti Ghose
Nature of contracts/ arrangements/ transactions	Appointment in place of Profit
Duration of the contracts/ arrangements/ transactions	Unless mutually terminated
Salient terms of the contracts or arrangements or transactions including the value, if any	The Company has appointed Ms. Jayanti Ghose on monthly salary of ₹50,000/-
Date of approval by the Board	29.04.2022
Amount paid as advances, if any:	**Nil**

iii. **Transaction with Santosh Agarwal for appointment in place of Profit**

Particulars	**Amount**
Name(s) of the related party and nature of relationship	Santosh Agarwal
Nature of contracts/ arrangements/ transactions	Appointment in place of Profit
Duration of the contracts/ arrangements/ transactions	Unless mutually terminated
Salient terms of the contracts or arrangements or transactions including the value, if any	The Company has appointed Mr. Santosh Agarwal on monthly salary of ₹50,000/-
Date of approval by the Board	29.04.2022
Amount paid as advances, if any:	**Nil**

iv. **Transaction with Parvati Agarwal for appointment in place of Profit**

Particulars	**Amount**
Name(s) of the related party and nature of relationship	Parvati Agarwal
Nature of contracts/ arrangements/ transactions	Appointment in place of Profit
Duration of the contracts/ arrangements/ transactions	Unless mutually terminated
Salient terms of the contracts or arrangements or transactions including the value, if any	The Company has appointed Ms. Parvati Agarwal on monthly salary of ₹50,000/-
Date of approval by the Board	29.04.2022
Amount paid as advances, if any:	**Nil**

v. Transaction with Shyamsunder Agarwal for repayment of Loan

Particulars	Amount
Name(s) of the related party and nature of relationship	Shyamsunder Agarwal
Nature of contracts/ arrangements/ transactions	Repayment of Loan
Duration of the contracts/ arrangements/ transactions	Unless mutually terminated
Salient terms of the contracts or arrangements or transactions including the value, if any	The Company repaid the amount of ₹40,00,000/- borrowed from Mr. Shyamsunder Agarwal as unsecured Loan in FY 2015-16
Date of approval by the Board	11.05.2015
Amount paid as advances, if any:	**Nil**

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
(DIN: 01739231)

Ram Agarwal
Whole Time Director & CEO
(DIN: 01739245)

Date: 19.07.2023
Place: Navi Mumbai

ANNEXURE D

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE
(Disclosure under Section 134 (3) (m) of the Companies Act, 2013 Read with Rule 8 (3) of Companies (Accounts) Rules, 2014)

A) CONSERVATION OF ENERGY

(i)	**The steps are taken or impact on the conservation of energy**	**a)** Retrofitting with LED lights in existing light fixtures done in a phased manner across all locations. All new purchases of lights are done of LED lights primarily. **b)** Installation of Variable speed drive (VSD) technology for HVAC, dust collectors, pumps various process machines etc. implemented across all sites. VSD incorporated in new purchases of energy related equipment at procurement stage only. **c)** Targeted zero leakage and implemented well-structured utility leakages management program across all locations. **d)** 30 KWA Solar panels at our factory in Pisoli and more shall be installed in ensuing period **e)** Per Unit Energy Cost Reduction Program: • Fuel switch over from High-Speed Diesel to Light Diesel Oil for steam generation having facilities of Furnace Oil and Agro-Based Bracket . • Maintaining unit power factor across all locations. This has helped reduce the power demand and improve life of electrical switchgears. **f)** Operationalized precise control of environmental condition of manufacturing area. **g)** Automation system: i. Interlocking of dust collectors with HVAC ii. Installed occupancy sensors for low man movement area iii. Installed proximity sensors for air curtains iv. Potable water pump operated from feedback and VSD v. Seasonal set point optimization of chillers vi. Auto water level sensors fixed to ETP, STP, drinking water RO plant & underground & overhead water tanks etc.

		vii. Ensured best possible automation to reduce electricity wastage. viii. Installed energy efficient air blower for aeration at ETP. **h)** Installed LED and or energy star monitors across all locations. **i)** Re-utilizing steam condensate to pre heat the feed water. **Impact of above measures:** (i) Reduction in energy consumption and cost. (ii) Reduction in carbon foot print. (iii) Reduction in per unit production cost. (iv) Availability of utilities for additional user points. (v) Increase in operational efficiencies.
(ii)	**The steps taken by the company for utilizing alternate sources of energy**	Company continued its steps to adopt green energy utilization as an alternate source of energy and took various initiatives in this regard. Installation of Solar roof top power plant is under planning to reduce CO2 emission.
(iii)	**The capital investment on energy conservation equipment**	Company has invested substantial amounts on energy conservation equipment across all units.

B) <u>TECHNOLOGY ABSORPTION:</u>

(i)	**the efforts made towards technology absorption**	The company has continued its efforts on technology up-gradation in the area of manufacturing of Energy Storage products. New technology is used for manufacturing of products.
(ii)	**the benefits derived like product improvement, cost reduction, product development or import substitution**	1. The quality Energy Storage products 2. Reduction in costs 3. Increase in exports
(iii)	**in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**	NIL
	(a) the details of technology imported	NIL
	(b) the year of import;	N.A
	(c) whether the technology been fully absorbed	N.A
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A
(iv)	**the expenditure incurred on Research and Development**	NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

On Standalone Basis

₹ in Lakhs

Particulars	FY 2022-23	FY 2021-22
Expenditure in foreign currency	1828.95	2508.63
Earnings in foreign currency	34.12	0.00

On Consolidated Basis

₹ in Lakhs

Particulars	FY 2022-23	FY 2021-22
Expenditure in foreign currency	1866.66	2509.63
Earnings in foreign currency	53.56	0.00

For and on behalf of Board of Directors
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
(DIN: 01739231)

Ram Agarwal
Whole Time Director & CEO
(DIN: 01739245)

Date: 19.07.2023
Place: Navi Mumbai

Report on Audit of Standalone Financial Statements : 2022-23

PROSTARM

Power Redefined



ProstarM Info Systems Limited

Navi Mumbai

Audited By

Mansaka Ravi & Associates

Chartered Accountants

Nerul, Navi Mumbai

+91 98297 53254

Mansaka Ravi & Associates
Chartered Accountants
HO: 17 | Ground Floor | Palm Beach Arcade | Sector-4 | Nerul West | Navi Mumbai | 400706
+91 98297 53254 | Email: ravi@ravimansaka.com

INDEPENDENT AUDITOR'S REPORT

To

The Members of
PROSTARM INFO SYSTEMS LIMITED,
MUMBAI (MH)

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **PROSTARM INFO SYSTEMS LIMITED** *("the Company")*, which comprise the **Balance Sheet as at March 31, 2023**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon,



and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Allowance for Credit Losses: The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses and actual bad debts.	**Principal Audit Procedure:** Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among other: ☐ Evaluated the accounting policy of the company. ☐ Inquired with Board of Directors regarding status of collectability of the receivables. ☐ Completeness and accuracy of information used in the estimation of probability of default ☐ Discussion of material outstanding balances with the Audit Committee. ☐ Assessed the information/assumptions used by the Management to determine the expected credit losses by considering credit risk of the customers, cash collection, and the level of credit loss over time. Based on our work as stated above, no significant deviations were observed in respect of management's assessment of valuation of trade receivables.
Inventories: Inventories (INR 3593.90 Lacs) constitute 33.95% of the current assets of the company as at 31st March 2023. The Inventory is lying at various locations. The inventory is valued at the lower of cost and net realizable value. We considered the value of the inventory of as a key audit matter given the relative size of the balance in the financial statements.	• Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations. • Sample testing of management physical verification report. • We observe the physical verification process at locations of financial significance • Assess the appropriateness and completeness of the related disclosure in the company's Standalone Financial Statements. • We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory.

	• Assessing the appropriateness of Company's accounting policy for valuation of stock-in- trade and compliance of the policy with the requirements of the prevailing accounting standards. • We considered various factors including the actual selling price prevailing around and subsequent to the year-end. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value. For the purpose of determination of cost, the Company has considered the prevailing market situation. • Based on the above procedures performed, the management's determination of the net realizable value of the inventory as at the year end and comparison with cost for valuation of inventory is considered to be reasonable. Conclusion: Our procedures did not identify any material exceptions.

Information other than the Standalone Financial Statements and Auditors' Report thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

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

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

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

Auditors' Responsibilities for the audit of standalone financial statements

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

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

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

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.

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.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (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 Companies Act, 2013, we give in the "**Annexure A** "a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

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, Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the 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 March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note No. – 42.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or Provide any guarantee, security or the like to or 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 persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend during the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

Mansaka Ravi & Associates Mumbai Chartered Accountants

(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 23410816BGWKXL3029
Place: Navi Mumbai
Date: 10th July, 2023

Mansaka Ravi & Associates
Chartered Accountants
HO: 17 | Ground Floor | Palm Beach Arcade | Sector-4 | Nerul West | Navi Mumbai | 400706
+91 98297 53254 | Email: ravi@ravimansaka.com

ANNEXURES REFERRED IN THE AUDITOR'S REPORT ON THE ACCOUNTS OF PROSTARM INFO SYSTEMS LIMITED FOR THE YEAR ENDING 31ST MARCH, 2023

Annexure A to the Auditor's Report

As required by the Companies (Auditor's report) Order, 2020 issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we report that:

i) In respect of Company's Property, Plant and Equipment, right-of-use assets, investment property and Intangible assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and relevant details of right of use assets and investment property.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification to cover all the items of property, plant & equipment, right of use assets and investment property in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification has been carried on by the management during the year. Accordingly, we were unable to comment on whether any material discrepancies were noticed on such verification and whether they are properly dealt with in the standalone financial statements.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties including investment property of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date except the following:

Description of item of property	Relevant line item in the Balance sheet	Gross carrying value (₹ In Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
179A/1H, Maniktala Main Road, Kolkata, Kolkata, West Bengal, 700054	Property, Plant & Equipment	26.15	Pagdi System	No	31-Mar-2015	As per system prevailing in the State for maintenance of documents as "Bhada Salami"

In respect of immovable properties of land and building that have been taken on lease and disclosed as Right-of-Use assets in the standalone financial statements, the lease agreements are duly executed in favour of the lessee.

(d) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii) In respect of its inventories:

a) According to information and explanation given to us and on the basis of our examination of the records of the company, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. As per management explanation, no material discrepancies were noticed and discrepancies if any have been properly dealt with in the books of account;

b) According to information and explanations given to us and on the basis of our examination of the records of the company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly statements filed by the company with the banks against sanctioned working capital loan are materially in agreement with books of accounts except the following:

Name of Bank	Year	Quarter	Particulars	Amount as per Books of Account	Amount Reported in Stock Statement	Amounts of Difference	Reason for Discrepancies
Axis Bank, ICICI Bank	2022-23	1st	Inventory	3583.03	4848.20	-1265.17	Due to pending finalization of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4074.87	4453.30	-378.43	
			Trade Payables	-4373.17	-4990.20	617.03	
Axis Bank, ICICI Bank	2022-23	2nd	Inventory	2730.93	4100.60	-1369.67	Due to pending finalization of Quarterly Accounts, Clearing of un-identified
			Trade Receivables	5881.62	6036.00	-154.38	

			Trade Payables	-4424.32	-4319.00	-105.32	receipts, advances, TDS as per customer / vendor advice
Axis Bank, ICICI Bank	2022-23	3rd	Inventory	3813.20	4129.00	-315.80	Due to pending finalization of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4634.44	4705.00	-70.56	
			Trade Payables	-4397.96	-4315.00	-82.96	
Axis Bank, ICICI Bank	2022-23	4th	Inventory	3593.90	3736.40	-142.50	Due to inclusion of corresponding input taxes on inventory for bank Submission
			Trade Receivables	6704.77	6672.90	31.87	Unbilled Revenue provision was not part of Trade Receivables submitted to Bank
			Trade Payables	-5310.04	-4984.00	-326.04	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice

iii) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any investments, provided guarantee or security or granted any advance in nature of loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties. The Company has granted interest free loans to its employees as per Company's established policy during the year. The details are as under:



a) The Company has not made any investment in, 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 (LLPs) or any other entity during the year. Accordingly, reporting under clause 3(iii) (a) of the Order is not applicable to the Company.

b) The terms and conditions of the grant of all loans are not, prima facie, prejudicial to the interest of the Company.

c) In respect of certain loans granted by the Company, the schedule of repayment of principal has been stipulated and for some loans, it is not stipulated. The repayments or receipts are regular.

d) There is no overdue amount in respect of loans granted to employees.

e) No loans or advances in the nature of loans granted by the Company which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

f) The Company has granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any relevant provisions of the Act and the rules made there under, accordingly, clause (v) of the order is not applicable on the company.

vi) The maintenance of cost records has been specified by the Central Government under section 148 (1) of the Companies Act, 2013. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records for the year with a view to determine whether they are accurate and complete.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues and no undisputed amounts payable in respect of, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess except Provident Fund.

There were no arrears of undisputed statutory dues as at 31st March, 2023 except some dues in Provident Fund amounting to Rs. 0.28 Mn which were outstanding for a period of more than six months from the date they became payable. According to the information and explanations given to us, out of total 0.28 Mn, liability of 0.24 Mn has arisen on account of contribution not accepted by the Fund on account of Aatmanirbhar Bharat Rojgar Yojana (ABRY) and 0.04 Mn is on account of AADHAR mismatch of employees. As per management explanation, the Company will reimburse the said 0.24 Mn amount to employees during the financial year 2023-24 and for remaining 0.04 Mn, AADHAR correction in process with employee and accordingly, will be deposited during the financial year 2023-24.

(b) According to the information and explanations given to us, there are no disputed dues of Income Tax or Sales Tax or Service Tax, or duty of customs or duty of excise or VAT or Goods and Service Tax, which have not been deposited on account of any dispute except the following:



Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income-tax Act, 1961	Mismatch in ITR reporting clauses	INR 0.67 Lakhs	FY 2019-20	Central Processing System Unit	Rectification has been filed.
Sales Tax (Gujrat State)	As per Demand Notice	INR 0.80 Lakhs	FY 2015-16	Order passed by Authority	Bank Account lien marked by the Department for that sum. Documents are being submitted to authority for rectifications.
TDS Defaults	As per Traces Portal	INR 1.58 Lakhs	FY 2009 - 2022	As per Traces Portal	Returns will be revised to clear dues

viii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, there were no such unrecorded transaction in the books of account which were surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961 (43 of 1961).

ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and other lenders and written representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) a) On the basis of overall examination of the Standalone Financial Statements of the Company, according to the information and explanations provided to us and based on our examination of the records of the company we report that monies raised by way of loans were applied for the purposes for which those were raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) In our opinion and according to the information and explanations given to us as well as based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under section 42 and section 62 of the Companies Act, 2013 and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi) a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

b) According to the information and explanations given to us and based on our examination of the records of the company, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us and based on our examination of the records of the company, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii)i of the Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed u/s 133 of the Act.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has an internal audit system commensurate with the size and nature of its business. Since, during the year 2022-23, the company is not required to have internal audit system, hence the clause 3(xiv)(b) is not applicable on the company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him, hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company. Accordingly, reporting under clause 3(xv) of the order does not arise.

xvi) a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance Activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.

c) The Company is not a core investment company (CIC) as defined in the regulations made by the reserve Bank of India. Accordingly, clause 3(xvi)(c) of the order is not applicable.



d) According to information and explanations given to us during the course of audit, 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.

xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, 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 and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by Company as and when they fall due.

xx) a. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, there was no such unspent amount to be transferred to fund specified in Schedule VII to the Act. Accordingly, paragraphs 3(xx)(a) of the Order are not applicable.

b. The Company does not have ongoing projects under section 135 of the Companies Act. Accordingly, paragraphs 3(xx)(b) of the Order are not applicable.

xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C



(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 23410816BGWKXL3029
Place: Navi Mumbai
Date: 10th July, 2023

Mansaka Ravi & Associates
Chartered Accountants
HO: 17 | Ground Floor | Palm Beach Arcade | Sector-4 | Nerul West | Navi Mumbai | 400706
✆ +91 98297 53254 | Email: ravi@ravimansaka.com

Annexure "B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of the Prostarm Info Systems 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 **PROSTARM INFO SYSTEMS LIMITED** ('the Company') as of **31st March, 2023** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India ('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.

Auditor's 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 the 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. 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 standalone 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 standalone 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 -

Mumbai

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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of 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 standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2023**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C



(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 23410816BGWKXL3029
Place: Navi Mumbai
Date: 10th July, 2023

PROSTARM INFO SYSTEMS LIMITED
Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Mumbai City, MH - 400701
Email: sales@Prostarm.com, Website: www.Prostarm.com, Tel: +91 22 49856522/26
CIN: U31900MH2008PLC368540

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2023

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5	274.25	180.52
(b) Capital Work-in-Progress	6	897.31	-
(c) Investment Property	7	265.42	242.82
(d) Intangible Assets	8	11.41	0.13
(e) Intangible Assets under Development		-	-
(f) Right-of-Use Assets	9	39.78	40.19
(g) Financial Assets			
(i) Trade Receivables	10	352.44	327.18
(ii) Investments	11	345.93	345.93
(iii) Loans		-	-
(iv)Other financial assets	12	1795.70	956.70
(h) Deferred Tax Assets (Net)	41	61.71	45.54
(i) Other non-current assets	13	11.00	-
Total Non-Current Assets		**4054.93**	**2139.01**
Current Assets			
(a) Inventories	14	3593.90	2901.55
(b) Financial Assets			
(i) Investments	15	-	316.98
(ii) Trade receivables	16	6352.34	3150.02
(iii) Cash and cash equivalents	17	49.67	185.15
(iv) Bank balances other than (iii) above	18	8.66	0.00
(v) Loans	19	40.15	26.71
(vi) Others current financial assets	20	171.96	155.96
(c) Current Tax Asset (Net)	30B	-	18.10
(d) Other Current Assets	21	367.80	456.25
Total Current Assets		**10584.48**	**7210.74**
Total Assets		**14639.42**	**9349.75**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	22	4287.46	908.36
(b) Other Equity	23	1934.12	3245.58
Total Equity		**6221.58**	**4153.94**

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	616.09	210.61
(ia) Lease Liabilities	31	5.72	11.56
(ii) Other financial liabilities		-	-
(b) Provisions	25	94.01	69.77
(c) Other Non-Current Liabilities		-	-
Total Non-Current Liabilities		**715.82**	**291.94**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	1803.90	94.45
(ia) Lease Liabilities	31	5.81	6.08
(ii) Trade payables		-	-
(a) total outstanding dues of micro enterprises and small enterprises; and	27	661.90	32.77
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	27	4717.10	4510.98
(iii) Other Financial Liabilities	28	12.41	138.60
(b) Other Current Liabilities	29	309.35	109.61
(c) Provisions	25	41.92	11.37
(d) Current Tax Liabilities (Net)	30A	149.64	-
Total Current Liabilities		**7702.02**	**4903.86**
Total Equity and Liabilities		**14639.42**	**9349.75**

The accompanying Notes 1 to 65 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN:23410816BGWKXL3029

Place : Navi Mumbai
Dated : 10th July, 2023

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

(Vikas Agarwal)
Whole Time Director
DIN:- 01940262

(Tapas Ghose)
Chairman & Managing Director
DIN:- 01719231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ8591L

(Prashant Patankar)
Company Secretary
M. No. 70121

PROSTARM INFO SYSTEMS LIMITED
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CIN: U31900MH2008PLC368540

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(₹ in Lakhs)

	Particulars	Notes	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
I.	Revenue from operations	32	22923.49	17113.26
II.	Other Income	33	197.81	74.04
III.	**Total Income (I +II)**		**23121.30**	**17187.30**
IV.	**Expenses:**			
	Cost of Material Consumed	34	255.45	12.07
	Purchase of Stock-in-Trade	35	17004.32	14067.42
	Changes in inventories of finished goods, work in progress and stock-in-trade	36	-439.28	-1155.12
	Employee benefit expenses	37	1421.70	1203.70
	Finance Costs	38	155.44	82.26
	Depreciation and amortization expenses	39	102.53	52.44
	Other Expenses	40	1825.94	1283.30
IV.	**Total Expenses**		**20326.10**	**15546.05**
V.	**Profit before exceptional and extraordinary items and tax (III - IV)**		**2795.20**	**1641.25**
VI.	Exceptional Items		-	-
VII.	**Profit before extraordinary items and tax (V - VI)**		**2795.20**	**1641.25**
VIII.	Extraordinary Items		-	-
IX.	**Profit Before Taxes (VII-VIII)**		**2795.20**	**1641.25**
X.	**Tax expense:**			
	(1) Current tax	41	748.27	427.64
	(2) Tax of Earlier Years	41	3.78	5.85
	(3) Deferred tax	41	-18.26	16.13
XI.	**Profit/(Loss) for the period (IX-X)**		**2061.42**	**1191.63**

Continued...

Particulars	Notes	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
XII. **Other Comprehensive Income**			
(i) Items that will not be reclassified to profit or loss		-	-
Fair value gain loss on Investments		-	-
Remeasurement gain/loss on defined benefit obligation	58	8.31	6.78
(ii) Income tax relating to items that will not be reclassified to profit or loss	41	-2.09	-1.71
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income (XII)		6.22	5.08
XIII. **Total Comprehensive Income for the period (XI+XII)**		2067.64	1196.70
XIV. **Earning per equity share:**			
(1) Basic (In ₹)	43	4.81	2.78
(2) Diluted (In ₹)	43	4.81	2.78

The accompanying Notes 1 to 65 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN:23410816BGWKXL3029

Place : Navi Mumbai
Dated : 10th July, 2023

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

(Vikas Agarwal)
Whole Time Director
DIN:- 01940262

(Tapan Ghosh)
Chairman & Managing Director
DIN:- 01719231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Abhishek Jain)
Chief Financial Officer
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(Prashant Patankar)
Company Secretary
M. No. 70121

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STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

	Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
A	**Cash Flow From Operating Activities**		
	Net Profit / (Loss) Before Tax	**2795.20**	**1641.25**
	Adjustments For :		
	Depreciation and Amortization Expense	102.53	52.44
	Interest Income	-55.72	-35.68
	Interest Expenses	107.50	15.76
	Interest on Leased Liabilities	1.08	1.56
	Profit on Sale of Investments	-4.34	-7.22
	Provision for Warranty	42.77	-
	Profit on sale of Property,plant & equipment (PPE)	-	-21.23
	Remeasurment of defined benefit plan	21.47	21.02
	Operating Profit Before Working Capital Changes	**3010.49**	**1667.88**
	Adjustments For :		
	Decrease/(Increase) in other financial assets	-855.00	-627.28
	Decrease/(Increase) in other assets	95.55	20.89
	Decrease/(Increase) in Loans	-13.44	-11.25
	Decrease/(Increase) in Inventories	-692.35	-1165.24
	Decrease/(Increase) in trade receivables	-3227.57	185.03
	Decrease/(Increase) in bank balance	-8.66	366.87
	(Decrease)/Increase in Trade payables	835.25	746.39
	(Decrease)/Increase in other financial liabilities	-126.19	75.27
	(Decrease)/Increase in other liabilities	199.74	-23.05
	Retirement Benefits Paid (Out of Provisions)	-2.13	-
	Lease Rental Payments	-7.20	-7.74
	Increase/Decrease in Provisions	1.00	2.00
	Cash Generated From Operations	**-790.51**	**1229.76**
	Less: Direct Taxes Paid net of refund (including TDS)	602.41	540.31
	Net Cash flow From Operating Activities	**-1392.91**	**689.45**
B	**Cash Flow From Investing Activities**		
	Addition in Property, Plant & Equipment [PPE]	-1082.67	-157.75
	Addition in Intangible Assets	-16.57	-
	Addition / Deletion in Investment Properties	-28.78	-64.70
	Interest Income	55.72	35.68
	Purcahse of Investments	-554.97	-4663.00
	Proceeds from Sale of Investments	876.29	4353.24
	Investment of Shares of Subsidiary	-	-345.78
	Net Cash (Used) In/From Investing Activities	**-749.99**	**-842.31**
C	**Cash Flow From Financing Activities**		
	(Decrease)/Increase in Non-Current Borrowings	405.48	168.43
	(Decrease)/Increase in Current Borrowings	1709.45	87.63
	Interest paid on Borrowings	-107.50	-15.76
	Net Cash (Used) In/From Financing Activities	**2007.42**	**240.30**

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
D Net Change In Cash & Cash Equivalents(A+B+C)	-135.48	87.44
E Cash & Cash Equivalents at beginning of the year	185.15	97.71
F Cash & Cash Equivalents at end of the year	49.67	185.15

Components of Cash & Cash Equivalents	As at 31st March, 2023	As at 31st March, 2022
Cash on Hand	16.74	7.93
Balance with Banks in Current Accounts	32.94	177.22
Cheques, Drafts on Hand	-	-

Reconciliation of Liabilities arising from Financing Activities - For period April 22- March 23

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	303.39	507.44	0.67	811.41
Short-term Borrowings Secured	-	1607.21	-	1607.21
Short-term Borrowings Unsecured	1.77	-0.40	-	1.37
Total financial liabilities	**305.06**	**2114.26**	**0.67**	**2419.99**

Reconciliation of Liabilities arising from Financing Activities - For period April 21 -March 22

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	48.11	253.21	1.97	303.30
Short-term Borrowings Secured	-	-	-	-
Short-term Borrowings Unsecured	0.89	0.88	-	1.77
Total financial liabilities	**49.00**	**254.09**	**1.97**	**305.06**

Note:1 The Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".

Note-2: Previous Year's figures have been recasted/regrouped, wherever necessary, to conform to the current year's figures.

The accompanying Notes 1 to 65 form an integral part of the Financial Statements.
As per our separate report of even date attached

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN:23410816BGWKXL3029

(Vikas Agarwal)
Whole Time Director
DIN:- 01940262

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Chief Financial Officer
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(Prashant Patankar)
Company Secretary
M. No. 70121

Place : Navi Mumbai
Dated : 10th July, 2023

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

A. Equity Share Capital *(₹ in Lakhs)*

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting perio
908.36	-	908.36	3379.10	4287.46

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
908.36	-	908.36	-	908.36

B Other Equity *(₹ in Lakhs)*

(1) Current reporting period

Particulars	Reserves & Surpluses		Other Comprehensive Income	Total
	Security Premium	Retained Earnings		
Balance at the beginning of the current reporting period	-	3223.14	22.43	3245.58
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	3223.14	22.43	3245.58
Total Comprehensive Income for the year	-	2061.42	6.22	2067.64
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Capitalisation by Issue of Bonus Shares	-	-3379.10	-	-3379.10
Balance at the end of the current reporting period	-	1905.46	28.65	1934.12

(2) Previous reporting period

Particulars	Reserves & Surpluses		Other Comprehensive Income	Total
	Security Premium	Retained Earnings		
Balance at the beginning of the current reporting period	-	2031.52	17.36	2048.87
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	2031.52	17.36	2048.87
Total Comprehensive Income for the current year		1191.63	5.08	1196.70
Dividends	-			-
Transfer to retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
Balance at the end of the current reporting period	-	3223.14	22.43	3245.58

The accompanying Notes 1 to 65 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN:23410816BGWKXL3029

Place : Navi Mumbai
Dated : 10th July, 2023

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

(Vikas Agarwal)
Whole Time Director
DIN:- 01940262

(Tapan Ghose)
Chairman & Managing Director
DIN:- 01719221

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ8591L

(Prashant Patankar)
Company Secretary
M. No. 70121

1. COMPANY OVERVIEW

PROSTARM INFO SYSTEMS LIMITED (erstwhile Prostar Micronova Power Systems Pvt Ltd), ("the Company), conceptualized and promoted by a group of entrepreneurs having varied experience in the field of Power Electronics, got incorporated on 11th January 2008 with theprimary objective to provide power back up and power conditioning solutions to critical loads like ATMs, Banks, Financial Services & Insurance institutions, Corporates, Academic Institutes, Hospitals/ Diagnostic centres, Railways, Engineering, Oil & Gas, Power, Airport, Defense and other companies in PSU and private sector.

Prostarm Info Systems Limited, over the span of 1.5 decades, have graduated into a multifaceted entity specializing in providing total solutions & services related to Power back-up and Power Conditioning products. The company currently deals in Uninterrupted Power Supply (UPS) Systems, Solar PV Power Plants, Batteries, lithium-ion battery packs, Servo Controlled Voltage Stabilizers, Solar Hybrid Inverter & other related power conditioning equipment. The Company expanded its manufacturing capabilities in Pune, including the manufacturing facility of its subsidiary during the financial year 2022-23.

The company has its registered office located at Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Mumbai City, MH – 400701.

The standalone financial statements for the year ended March 31, 2023 were authorized and approved for issue by the Board of Directors on 10th July, 2023.

2. BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

a. Basis of Preparation of Financial Statements

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

a) Certain Financial Assets and Liabilities (including derivative instruments), if any,

b) Defined Benefit Plans – Plan Assets, if any and

c) Equity settled Share Based Payments, if any

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

b. Basis of Measurement

The Standalone Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as

described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

c. **Current v/s Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within one year.

d. **Functional and Presentation Currency**

These Standalone Financial Statements are prepared in Indian Rupee ("₹") which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals, except when otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Standalone Financial Statement.

a) Property, Plant and Equipment [PPE]

(i) Definition

Property, plant and equipment are tangible items that:

(A) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

(B) are expected to be used during more than one period.

(ii) Recognition & Initial Measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

(iii) Subsequent Measurement (depreciation and useful lives)

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013.

Building	60 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Electrical Installation and Equipment	8 years
Office Equipment	5 years
Computers	3 years
Vehicles	8 years

Depreciation on PPE sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such PPE are sold, discarded or demolished.

Leasehold land & building and improvements are amortized on the basis of duration and other terms of lease.

When parts of an item of Property, Plant and Equipment have different useful life, they are accounted for as separate items (Major components) and are depreciated over the useful life respectively.

Right-of-use Assets (Land & Building under operating Lease) is amortised on a straight-line basis over the period of respective lease term.

The residual values, useful lives and methods of depreciation of PPE are reviewed at the end of each financial year considering the physical condition of the PPE and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalised. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

(iv) **De-recognition**

PPE are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

b) **Capital Work-in-Progress**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the

commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

c) **Intangible Assets**

(i) **Recognition and initial measurement**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

(ii) **Subsequent Measurement & Amortization**

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

(iii) **De-recognition**

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

d) **Investment Properties**

(i) **Recognition and initial measurement**

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

(ii) **Subsequent Measurement & Amortization**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any, subsequently. Depreciation is provided from the date the assets are put

to use, on written down value method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013

Building	60 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Electrical Installation and Equipments	8 years
Office Equipments	5 years
Computers	3 years
Vehicles	8 years

Depreciation on Investment Properties sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Investment Properties are sold, discarded or demolished.

Leasehold land & Building and improvements are amortised on the basis of duration and other terms of lease.

The residual values, useful lives and methods of depreciation of Investment Properties are reviewed at the end of each financial year considering the physical condition of the Investment Properties and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

(iii) **De-recognition**

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

e) **Revenue Recognition**

(i) Revenue from contract with customer is recognised, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services.

(ii) Company generally follows mercantile system of accounting and recognizes significant items of incomes on accrual basis. The revenues have been duly recognized in accordance with the provisions of Indian Accounting Standard – 115. However, some of expenditures are accounted for on the receipt of bill or invoice of the same which are not material.

(iii) Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing service tax, Goods & Service Tax (GST) and other applicable indirect taxes.

(iv) Service tax / Goods & Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the services by the service provider on behalf of the Government. Accordingly, it is excluded from revenue.

(v) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration.

(vi) Unbilled income represents the value of services rendered but not yet been invoiced on the reporting date due to contractual terms.

f) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Interest is accounted on accrual basis on overdue receivables.

g) Dividend Income

Dividend income is recognized when the right to receive dividend is established.

h) Leases

On March 30, 2019, ministry of corporate affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is using the 'Modified Retrospective Approach' for transitioning to Ind AS 116 and took the cumulative adjustment to retained earnings on the date of initial application (April 1, 2019). The Company as elected certain available practical expedients on transition.

The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

(i) **Company as a lessee**

The Company's lease asset classes primarily consist of leases for land and building. The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contract existing and entered into on or after April 1, 2019.The Company has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

The Company recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. In the comparative period, lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss over the lease term.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8% p.a.

(ii) **Company as a lessor**

Assets given under operating leases are included in investment properties. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and need to be measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight-line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

i) **Cash & Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, cash in hand and short-term deposits, as defined above.

j) Taxation

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Sales Tax/ GST / VAT

Sales/ value added taxes paid on acquisition of assets or on incurring expenses are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

k) **Inventories**

Finished Goods-

Finished goods are valued at lower of cost or net realisable value. Cost includes direct materials and labour and a portion of manufacturing overhead based on normal operating capacity.Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Finished Goods are measured at First In First Out basis.

Raw Materials, WIP and Stores & Spares-

Raw materials, components, stores and spares and work-in progress are valued at cost. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components, stores and spares is determined on FIFO basis. Cost of Work in Progress is measured at First In First Out Basis.

Capital spares that qualifies the criteria of property, plant and equipment are recognised as PPE. Accordingly, the company has capitalized spares having useful life of more than 12 months and corresponding depreciation is charged on them."

Stock-in-Trade

Inventories being stock-in-trade are valued at the lower of cost and net realisable value.

Cost of these inventories are determined on First In First Out basis.

l) **Employee Benefits**

(i) **Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

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(ii) **Post-employment benefits –**

(a) **Defined benefit plans – Gratuity**

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and number of years of employment with Company. Presently the Company's gratuity plan is unfunded.

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 if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

(b) **Defined Contribution Plans – Provident Fund and Employee State Insurance**

Provident Fund, Pension Fund & Employee State Insurance (ESI) are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust, Regional Provident Fund Commissioner and Employee State Insurance Fund respectively are charged to the Statement of Profit and Loss.

m) **Earning Per Share**

i) Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

ii) Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

n) **Provisions and Contingencies**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Provision for Warranty: The Company makes provision for the probable future liability on account of the warranty based on the estimation of the warranty claims/expenses that the Company expects to materialize in the future. The Company assesses the need and quantum of provision for warranty based on conditions prevailing at each year-end.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o) **Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS-7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

p) **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the management. Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

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q) **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

r) **Impairment of Non-Financial Assets**

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life.

s) **Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

t) **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) **Financial Assets**

(i) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets

that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) **Subsequent measurement**

Subsequent measurement of financial assets is described below -

a. Financial Assets (Debt instruments) at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

b. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The xtransferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset.

Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

In other words, trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.
- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(B) Financial liabilities

(i) Initial Recognition & Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans & borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through statement of profit and loss

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

(ii) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) **Buyers Credit**

The Company enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up to twelve months (for raw materials) and up to 36 months (for project materials). Where these arrangements are for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit (under Trade and other payables). Where these arrangements are for project materials with a maturity up to 36 months, the economic substance of the transaction is determined to be financing in nature, and these are classified as projects buyers' credit within borrowings in the statement of financial position.

(iv) **Financial liabilities – De-recognition**

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

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(v) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. For more information on financial instruments Refer Note No. 59.

u) **Investment in Subsidiaries, joint ventures and associates:**

Subsidiary: A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.

Associate: Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.

Joint arrangement: A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

v) **Foreign currency transactions**

(i) **Initial Recognition**

In the Standalone financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

(ii) **Conversion**

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

(iii) **Exchange Differences**

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

w) **Dividend Distribution**

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

x) **Prior Period Items**

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

y) **Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone financial statements are elaborated in Note No. 4.

4A. CRITICAL ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting year end. Although these estimates and associated assumptions are based upon historical experiences and various other factors besides management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on a periodic basis. Any revision in the accounting estimates is recognised in the period in which the results are known/ materialise.

Significant judgments and key sources of estimation in applying accounting policies are as follows:

a) Property, plant and equipment and useful life of property, plant and equipment and intangible assets

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

b) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 44).

c) Employee benefit expenses

Actuarial valuation for gratuity liability of the Company has been done by an independent actuarial valuer on the basis of data provided by the Company and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

d) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has determined that it can recognise deferred tax assets on the tax losses carried forward as it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Further details on taxes are disclosed in Note No. 41.

e) Impairment of accounts receivable and advances

Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses.

f) Discounting of Security deposit, retention money and other long-term liabilities

For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Standalone financial statements.

g) Amortized Cost for Employee Loans

Employee loans have not been recorded using Effective Interest Rate method due to absence of any material impact on Standalone financial statements and involvement of practical difficulties.

h) Investment in Equity Instruments

Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date.

i) Restatement of Prior Period Items

Material prior period items, i.e. items having a value of above Rs. 5.00 Lac have been restated in the previous year financials.

4B. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements:

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial

statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes:

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

In terms of our attached report of even date

For Mansaka Ravi & Associates
Chartered Accountants
Firm Reg. No.: 015023C

Mansaka Ravi & Associates * Mumbai * Chartered Accountants

(CA Ravi Mansaka)
Partner
Membership No. 410816

UDIN: 23410816BGWKXL3029

Place: Navi Mumbai
Date: 10th July, 2023

For and on behalf of the Board of Directors of
ProstarM Info Systems Limited

Tapan Ghose
Chairman & Managing Director
DIN:01719231

Vikas Agarwal
Whole Time Director
DIN: 01940262

Ram Agarwal
CEO & Whole Time Director
DIN:01739245

Abhishek Jain
Chief Financial Officer
PAN -ACJPJ8591L

Prashant Patanakar
Company Secretary
M. No. 70121

PROSTARM INFO SYSTEMS LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

5 PROPERTY, PLANT & EQUIPMENT

Refer Note 3(a) for accounting policy on Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	As on 31st Mar, 2023	As on 31st Mar, 2022
Building - Freehold	26.15	-	-	26.15	7.72	0.90	-	8.61	17.54	18.43
Plant & Equipments	12.22	61.29	-	73.51	1.24	7.76	-	9.00	64.51	10.98
Computers	98.66	16.00	-	114.65	54.88	29.04	-	83.91	30.74	43.78
Motor Cars	216.82	82.95	-	299.77	121.04	43.92	-	164.96	134.81	95.78
Furniture & Fixtures	10.95	12.88	-	23.83	6.13	3.38	-	9.51	14.32	4.82
Office Equipments	12.15	12.25	-	24.40	5.43	6.64	-	12.07	12.33	6.72
Total	376.95	185.37	-	562.32	196.43	91.64	-	288.06	274.25	180.52

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1 April, 2021	Additions	Disposals	Closing as on 31 Mar, 2022	Opening as on 1 April, 2021	Additions	Disposals	Closing as on 31 Mar, 2022	As on 31st Mar, 2022	As on 31st Mar, 2021
Building - Freehold	26.15	-	-	26.15	6.77	0.94	-	7.72	18.43	19.38
Plant & Equipments	1.05	11.17	-	12.22	0.02	1.21	-	1.24	10.98	1.02
Computers	46.63	52.03	-	98.66	33.71	21.16	-	54.88	43.78	12.91
Motor Cars	130.52	86.30	-	216.82	103.00	18.04	-	121.04	95.78	27.52
Furniture & Fixtures	8.72	2.23	-	10.95	4.76	1.37	-	6.13	4.82	3.96
Office Equipments	6.12	6.03	-	12.15	4.10	1.33	-	5.43	6.72	2.02
Total	219.20	157.75	-	376.95	152.37	44.06	-	196.43	180.52	66.82

PROSTARM INFO SYSTEMS LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

6 CAPITAL WORK-IN-PROGRESS [CWIP]

(₹ in Lakhs)

Refer Note 3(b) for accounting policy on Capital Work-in-Progress

(a) Tangible Assets Under Development

Particulars	Land	Building	Total
Balance as at 31st March, 2021	-	-	-
Additions during the Year	-	-	-
Capitalised During the Year	-	-	-
Balance as at 31st March, 2022	-	-	-
Additions during the Year	-	897.31	897.31
Capitalised During the Year	-	-	-
Balance as at 31st March, 2023	-	897.31	897.31

(b) Capital Work-in-Progress Ageing (Project-in-Progress)

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Balance as at 31st March, 2021	-	-	-	-	-
Additions during the Year	-	-	-	-	-
Capitalised During the Year	-	-	-	-	-
Balance as at 31st March, 2022	-	-	-	-	-
Additions during the Year	897.31	-	-	-	897.31
Capitalised During the Year	-	-	-	-	-
Balance as at 31st March, 2023	897.31	-	-	-	897.31

(c) Company does not have any Project which is temporary suspended, therefore, disclosure requirement thereof is not applicable.

(d) There are no CWIP assets which become overdue compared to their original plans or where cost is exceeded compared to original plans, therefore, disclosure relating thereto is not required.

Mansaka Rayi & Associates Mumbai Chartered Accountants

PROSTARM INFO SYSTEMS LIMITED MUMBAI

7 INVESTMENT PROPERTY

(₹ in Lakhs)

A. Completed Investment Properties

Refer Note 3(d) for accounting policy on Investment Properties.

Particulars	Land Leasehold	Buildings	Total
Gross Block			
Balance as at 31st March, 2021	-	328.03	**328.03**
Additions		-	-
Disposals	-	42.70	42.70
Balance as at 31st March, 2022	-	**285.33**	**285.33**
Additions		-	-
Disposals	-	-	-
Balance as at 31st March, 2023	-	**285.33**	**285.33**
Accumulated Depreciation			
Balance as at 31st March, 2021		163.21	**163.21**
Additions	-	7.93	7.93
Disposals	-	14.18	14.18
Balance as at 31st March, 2022	-	**156.95**	**156.95**
Additions	-	6.19	6.19
Disposals	-		-
Balance as at 31st March, 2023	-	**163.14**	**163.14**
Net Block			
Balance as at 31st March, 2022	-	**128.38**	**128.38**
Balance as at 31st March, 2023	-	**122.19**	**122.19**

B. Under Development Investment Properties

Particulars	Land Freehold	Buildings	Total
Balance as at 31st March, 2021	-	-	-
Additions during the Year	-	114.45	114.45
Capitalised During the Year	-	-	-
Balance as at 31st March, 2022	-	**114.45**	**114.45**
Additions during the Year	-	28.78	28.78
Capitalised During the Year	-	-	-
Balance as at 31st March, 2023	-	**143.23**	**143.23**

C. Total Investment Properties [A+B]

Balance as at 31st March, 2022	-	**242.82**	**242.82**
Balance as at 31st March, 2023	-	**265.42**	**265.42**

7.1 Ageing Schedule Investment Properties Under Development

Investment Properties Under Development	Amount for a period of			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Flat No. 3307, Parkwood, Thane	14.39	57.22	-	-
Flat No. 3308, Parkwood, Thane	14.39	57.22	-	-
Total	**28.78**	**114.45**	-	-

7.2 **Amount recognised in Statement of Profit or Loss for Investment Properties**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Rental Income derived from Investment Properties	6.60	4.38
Less: Direct Operating Expenses (including repairs & maintenance) generating rental income	-	3.68
Less: Direct Operating Expenses (including repairs & maintenance) that did not generate rental income	-	-
Profit arising from Investment Properties before Depreciation	6.60	0.70
Less: Depreciation for the Year	6.19	7.93
Profit/(Loss) arising from Investment Properties	**0.41**	**-7.22**

7.3 **Leasing Arrangements**

Minimum lease payments receivable under non-cancellable operating lease of investments properties are as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Not Later than one Year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
Lease income recognised during the year in profit and loss	6.60	4.38

Note: Company has not entered into any lease agreement with the tenants.

7.4 **Fair Values**

The Company has not got revalued its investment properties and they are carried at amortized value in the financial statements. The Company has no restrictions on the realisability of its investment properties.

7.5 **There are no contractual obligations to purchase, construct or develop investmest property except below:**

Particulars	As at 31st March, 2023	As at 31st March, 2022
In respect of Purchase of Property (Flat No. 3307 & 3308, Parkwood, Thane):		
Not Later than one Year	76.77	28.78
Later than one year and not later than five years	-	76.77
Later than five years	-	-

7.6 **No contingent rent recognised / (adjusted) in the Profit or Loss in respect of operating lease.**

PROSTARM INFO SYSTEMS LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

8 INTANGIBLE ASSETS

(₹ in Lakhs)

Refer Note 3(c) for accounting policy on Intangible Assets

Particulars	Softwares	Trademark	Total
Gross Carrying Value			
Balance as at 31st March, 2021	-	0.19	0.19
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March, 2022	-	0.19	0.19
Additions	15.57	-	15.57
Disposals	-	-	-
Balance as at 31st March, 2023	15.57	0.19	15.75
Accumulated Depreciation & Amortization			
Balance as at 31st March, 2021	-	0.02	0.02
Additions	-	0.03	0.03
Disposals	-	-	-
Balance as at 31st March, 2022	-	0.05	0.05
Additions	4.26	0.03	4.29
Disposals	-	-	-
Balance as at 31st March, 2023	4.26	0.08	4.34
Net Carrying Value			
Balance as at 31st March, 2022	-	0.13	0.13
Balance as at 31st March, 2023	11.30	0.11	11.41

Manaska Ravi & Associates Mumbai Chartered Accountants

PROSTARM INFO SYSTEMS LIMITED MUMBAI

9 RIGHT-OF-USE-ASSETS

(₹ in Lakhs)

Refer Note 3(f) for accounting policy on Right-of-Use Assets

Particulars	Amount
Gross Values	
Balance as at 31st March, 2021	41.17
Additions	-
Disposals	-
Balance as at 31st March, 2022	41.17
Additions	-
Disposals	-
Balance as at 31st March, 2023	41.17
Accumulated Amortization	
Balance as at 31st March, 2021	0.57
Additions	0.42
Disposals	-
Balance as at 31st March, 2022	0.98
Additions	0.42
Disposals	-
Balance as at 31st March, 2023	1.40
Net Book Values	
Balance as at 31st March, 2022	40.19
Balance as at 31st March, 2023	39.78

PROSTARM INFO SYSTEMS LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

10 NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured, considered good		
Unsecured, considered good		
Due from Related Parties	-	-
Others	361.15	327.18
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit Impaired	-	-
Allowance for Expected Credit Loss	-8.72	-
Total[1,2,3]	**352.44**	**327.18**

Notes: 1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 45.

2. For lien/charge against trade receivables refer Note No. 24 & 26.

3. No non-current trade receivables are due from directors or other officers of the Company either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

4. For Ageing of Non-Current Trade Receivables, refer Note No. 48.2 & 48.4.

11 NON-CURRENT FINANCIAL ASSET - INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investments carried at Cost		
Unquoted Investments		
(a) Investment in Equity Instruments		
Prostarm Energy Systems Private Limited (Subsidiary Company)		
34,57,800 Equity Shares of Rs. 10/- each fully paid up *(Previous Year : 34,57,800 Equity Shares of Rs. 10/- each fully paid up)*	345.78	345.78
(b) Investment in Mutual Funds	-	-
(c) Other Non-Current Investments		
Investment in Silver Coins	0.15	0.15
Total	**345.93**	**345.93**

Aggregate Values :	As at 31st March, 2023	As at 31st March, 2022
1. Aggregate amount of quoted investments	-	-
2. Aggregate amount of market value of quoted investments	-	-
3. Aggregate amount of unquoted investments	345.93	345.93
4. Aggregate amount of impairment in value of investments	-	-
	Level 3	Level 3
Classification of Investments		
Unquoted Investments	345.93	345.93

Information about Subsidiaries & Associates

Name of the Company & Country of Incorporation	% holding	Principal Activities	Date of Acquisition
Prostarm Energy Systems Private Limited, India	51%	Manufacturing of Customized Power Electronic Solutions	17th July, 2021

Initially in the Year 2021-22, M/s Prostarm Energy Systems Private Limited was incorporated as wholly owned subsidiary of the Company. However, later on in the same financial year, partial stake of Company has been diluted in right issue wherein Mr Radhakrishnan Nair has become shareholder of 49% and Company become shareholder of 51% shares of the subsidiary.

Manasta Ravi & Associates Chartered Accountants Mumbai

PROSTARM INFO SYSTEMS LIMITED MUMBAI

12 OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Security Deposits	248.76	271.27
Retention Money Receivable	443.88	103.81
Bank deposits with more than 12 Months Maturity	1103.06	572.57
Other Loans & Advances	-	9.05
Total	**1795.70**	**956.70**

13 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Advances against Purchase of Capital Assets	11.00	-
Total	**11.00**	-

14 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Inventories of Stock-In-Trade [1,2,3]		
Stock-In-Trade	3276.74	2553.93
Stock-In-Transit	1.49	291.69
Spares & Parts	2.39	40.72
Raw Material[2,3]	263.19	10.12
Work in Progress[2,3]	5.36	4.16
Finished Goods[2,3]	44.73	0.93
Total Closing Stock	**3593.90**	**2901.55**

Note: 1. Inventory of Stock-In-Trade includes Batteries, UPS and Inverters as a major component of total inventory.
Note: 2. Entire inventory of the Company has been hypothecated as security against certain bank borrowings of the Company as at 31st March, 2023 and 31st Mar, 2022. For more details of lien/charge against inventories refer Note No. 24 & 26.
Note: 3 These inventories are valued at lower of cost or net realisable value.

15 CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investments carried at Cost		
Unquoted Investments		
(a) Investment in Shares	-	-
(b) Investment in Mutual Funds		
13550. 527 Units of Axis Liquid Fund - Regular Growth (PY)	-	316.98
Total	-	**316.98**

Aggregate Values :	As at 31st March, 2023	As at 31st March, 2022
1. Aggregate amount of quoted investments	-	-
2. Aggregate amount of market value of quoted investments	-	-
3. Aggregate amount of unquoted investments	-	316.98
4. Aggregate amount of impairment in value of investments	-	-
	Level 3	Level 3
Classification of Investments		
Unquoted Investments	-	316.98

16 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured, considered good	-	-
Unsecured, considered good	6353.19	3150.02
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit Impaired	-	-
Allowance for Expected Credit Loss	-0.85	-
Total[1,2,3]	6352.34	3150.02

Notes: 1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 45.

2. For lien/charge against trade receivables refer Note No. 24 & 26.

3. No current trade receivables are due from directors or other officers of the Company either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except as reported in Note No. 42.

4. For Ageing of Current Trade Receivables, refer Note No. 48.1 & 48.3.

17 CASH & CASH EQUIVALENTS[1]

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance with Banks		
In Current Accounts	32.94	177.22
In Term Deposits with maturity less than 3 months at inception	-	-
Cheques, Drafts on Hand	-	-
Cash on Hand	16.74	7.93
Total	49.67	185.15

Note:1 There are no restriction with regard to cash and cash equivalents as at the end of reporting period and prior periods.

18 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good:		
Deposits with Banks		
Earmarked balances with banks[1]		
In Term Deposits with maturity more than 3 months but less than 12 months at inception	8.66	0.00
Total	8.66	0.00

Note:1 Earmarked balances with banks primarily consists of margin money against loans and margin money against performance guarantees obtained by the company.

19 CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Loans and advances to Employees	40.15	26.71
Loans and advances to Directors	-	-
Total	**40.15**	**26.71**

20 CURRENT FINANCIAL ASSETS - OTHER

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
In Term Deposits with remaining maturing less than 12 Months	97.03	86.50
Receivable against GEDA Subsidy	24.55	27.29
Other Advances	0.33	-
Balance With Revenue Authorities	50.05	42.17
Total	**171.96**	**155.96**

21 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Prepaid Expenses	13.53	8.91
Balances with Revenue Authorities	238.52	430.34
Advance to Vendors	68.96	17.01
Share Issue Expenditures[1]	45.00	-
Rent Receivable	1.80	-
Total	**367.80**	**456.25**

Note:1> The Company is in the process of filing Draft Red Herring Prospectus with SEBI in connection with the proposed Initial Public Offer('IPO') of equity shares of the Company by way of fresh issue. Accordingly, expenses incurred by the Company aggregating to Rs. 45 Lakhs in connection with filing of Draft Red Herring Prospectus have been shown under "other current assets" as it shall be adjusted towards the securities premium.

PROSTARM INFO SYSTEMS LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

22 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
AUTHORISED		
5,50,00,000 Equity Shares of Rs. 10 each *(Previous Year 1,40,00,000 Equity Shares of Rs. 10/- each)*	5500.00	1400.00
ISSUED, SUBSCRIBED & PAID-UP		
4,28,74,592 Equity Shares of Rs. 10 each fully paid up *(Previous Year 90,83,680 Equity Shares of Rs. 10/- each)*	4287.46	908.36
Total	**4287.46**	**908.36**

22.1 The details of shareholders holding more than 5% of the shares are as follows:

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	Nos.	%	Nos.	%
Mr. Ram Agarwal*	1,28,62,378	30.00%	27,25,080	30.00%
Mrs. Parvati Shyamsunder Agarwal	57,08,462	13.31%	12,09,420	13.31%
Mr. Vikas Agarwal	1,41,47,029	33.00%	29,97,252	33.00%
Mrs. Sonu Ram Agarwal*	85,74,938	20.00%	18,16,724	20.00%

Note:1-Mr Ram Agarwal and Ms. Sonu Agarwal, holds 1 fully paid-up equity shares of Rs. 10 each as a trustee for the benefit of theirself and certain other shareholders of the Company, being the share alloted against fractional entitlement pursuant to Bonus Shares issued vide Board Resolution dated 11th March, 2023.

22.2 Shareholding of Promoters

Name of Promoter	As at 31st March, 2023		% Change During the Year
	Nos.	%	
Mr. Ram Agarwal	1,28,62,378	30.00%	Nil
Mrs. Sonu Ram Agarwal	85,74,938	20.00%	Nil
Total	**2,14,37,316**	**50.00%**	

Name of Promoter	As at 31st March, 2022		% Change During the Year
	Nos.	%	
Mr. Ram Agarwal	27,25,080	30.00%	0%
Mrs. Sonu Ram Agarwal	18,16,724	20.00%	0%
Total	**45,41,804**	**50.00%**	

Note : Pursuant to board meeting held on 28th Sept, 2020, the Company has revised the list of promoters resulting into decrease in number of promoters from 7 to 2.

22.3 Rights, preference and restrictions attached to Equity Shares

(i) The company has one class of equity shares having a par value of Rs. 10 per share. All equity shares, in present and in future, rank *pari passu* with the existing equity shares of the company and each shareholder is entitled to one vote per share.

(ii) The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

(iii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) The company did not have outstanding calls unpaid by the directors and officers of the Company (Previous Year NIL) and also did not have any amount of forfeited shares (Previous Year NIL).

(v) The Company has not allotted any fully paid up equity shares without payment being received in cash except bonus shares and nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

(vi) During the period of last five years, the Company has issued following Bonus Shares to its Shareholders by capitalisation of reserves:

No. of Shares Issued in Bonus	Face Value per Share	Ratio	Amount (In Lakhs)	Date of Allotment
6812700	₹ 10	03:01	681.27	29-08-2020
33790992	₹ 10	372:100	3379.10	11-03-2023

22.4 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equity Shares at the begining of the Year	90,83,600	90,83,600
Add: Issued Bonus Shares during the year	3,37,90,992	-
Less: Shares Cancelled on back during the year	-	-
Equity Shares at the end of the Year	**4,28,74,592**	**90,83,600**

23 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Retained Earnings		
As per Last Balance Sheet	3223.14	2031.52
Adjustments:		
Add: Profit For the Year	2061.42	1191.63
Appropriations		
Less: Capitalisation by Issue of Bonus Shares	3379.10	-
Total of Retained Earnings	**1905.46**	**3223.14**
Other Comprehensive Income Reserve		
As per last balance sheet	22.43	17.35
Add: Other Comprehensive Income for the Year	6.22	5.08
Total of Other Comprehensive Reserves	**28.65**	**22.43**
Total of Other Equity	**1934.12**	**3245.58**

Nature of Reserves

Retained Earnings represent the undistributed profits of the Company.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income(OCI) . OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

24 FINANCIAL LIABILITIES - NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured Loans (against hypothecation of assets)		
Vehicle & Business Loans	811.41	263.30
Less: Current maturities of Long Term Debt	195.32	92.69
Term Loans from Banks[1]	**616.09**	**170.61**
Unsecured Loans		
From Directors	-	-
From Relatives of Directors[2]	-	40.00
Total	**616.09**	**210.61**

PROSTARM INFO SYSTEMS LIMITED MUMBAI

Details & Principals terms of Secured Loans:

Security	Amount of Monthly Installment	Rate of Interest (p.a.)	Purpose / Sanction Amount	Banker
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.26	8.35%	Vehicle Loan - ₹ 12.50 Lakh	ICICI Bank Ltd**
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.42	8.50%	Vehicle Loan - ₹ 16.92 Lakh	ICICI Bank Ltd**
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.35	7.25%	Vehicle Loan - ₹ 14.61 Lakh	Axis Bank Ltd
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	1.02	7.75%	Vehicle Loan - ₹ 50.75 Lakh	BMW India Financial Services P Ltd
Primary Security - NIL. For details of collateral securities - Refer Note[2]	-	10.50%	WCTL - ₹ 250 Lakh	Bandhan Bank Limited[2]
First Pari Passu Charge over the stock and book debts of the company. For collateral security details - Refer Note[3]	6.38 + Interest	Repo + 3%	Business Loan ₹ 200 Lakh	ICICI Bank Limited[3]
First Pari Passu Charge over the stock and book debts of the company. For collateral security details - Refer Note[3]	7.60 + Interest	Repo + 3%	Term Loan - ₹ 1000 Lakh	ICICI Bank Limited[3]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.20	7.60%	Commercial Vehicle Loan - ₹ 8.20 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.21	7.60%	Commercial Vehicle Loan - ₹ 8.45 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.20	7.60%	Commercial Vehicle Loan - ₹ 8.20 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.21	7.60%	Commercial Vehicle Loan - ₹ 8.45 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.41	8.40%	Commercial Vehicle Loan - ₹ 17.40 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.36	8.20%	Commercial Vehicle Loan - ₹ 15.99 Lakhs	ICICI Bank Ltd[1]

***Account closed during the FY 2022-23.*

Note:1>During the year 2022-23, company has availed Vehicle loans from ICICI Bank

Note:2> Collateral Securities Offered to Bandhan Bank Limited against WCTL are as under:

d) Exclusive charge on residential property by Equitable Mortgage situated at Flat A3/12/F1/103, 1st Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sec. 54, 55, 58, Nerul, Navi Mumbai. ad-measuring 129.50 sq mtr in name of Company.

b) FD lien marked to the tune of 0.30 Cr or such higher amount which is required to maintain 100% collateral cover for WCTL.

c) Personal Guarantee of following persons has been offered:
i) Mr. Ram Agarwal ii) Mr. Vikas Agarwal iii) Mr. Santosh Agarwal iv) Mrs. Sushila Agarwal

d) Company has closed the banking with Bandhan Bank in FY 2022-23 completely.

e) During the year 2021-22, the loan account of Bandhan Bank has been taken over by the ICICI Bank and all limits from Bandhan Bank have been closed.

Note:3> Collateral Securities Offered to ICICI Bank Limited against Term Loan are as under:

a) First Paripasu Charge over Current Assets

b) Cash margin in form of FD of Rs. 7.75 million

c) Exclusive charge on industrial property Plot no. EL-79, TTC Industries area, Mahape, MIDC Navi Mumbai, 400710

d) Exclusive charge on residential property by Equitable Mortgage situpted at Flat A3/12/F1/103, 1st Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sec. 54, 55, 58, Nerul, Navi Mumbai. ad-measuring 129.50 sq mtr in name of Company.

e) Personal Guarantee of i) Mr. Ram Agarwal ii) Mr. Vikas Agarwal has been offered:

PROSTARM INFO SYSTEMS LIMITED MUMBAI

Note:4>> The Company does not have any continuing default is repayment of loans and interest as on the reporting date.
Note:5>> Borrowings from banks and financial institutions have been used for the purpose for which they were obtained.
Note: 6> Unsecured Loan from relative of Director was payable on demand and has been paid during the financial year 2022-23.

25 PROVISIONS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Non-Current	Current	Non-Current	Current
Provision for Employee Benefits				
Provision for Defined Benefits/Gratuity	76.90	10.26	69.77	6.37
Provision for Warranty	17.11	25.66	-	-
Other Provisions	-	6.00	-	5.00
Total	**94.01**	**41.92**	**69.77**	**11.37**

Movement in Provisions

Particulars	As at 1st April 2022	Additions/Creations during the Reporting Period	Amount Paid / Adj. / Utilised During the Year	As at 31st March, 2023
Provision for Defined Benefits/Gratuity	76.14	13.15	-2.13	**87.16**
Other Provisions	5.00	6.00	-5.00	**6.00**
Provision for Warranty	0.00	42.77	-	**42.77**

Movement in Provisions

Particulars	As at 1st April, 2021	Additions/Creations during the Reporting Period	Amount Paid / Adj. / Utilised During the Year	As at 31st March, 2022
Provision for Defined Benefits/Gratuity	61.90	14.24	-	**76.14**
Other Provisions	3.00	5.00	-3.00	**5.00**
Provision for Warranty	-	-	-	-

i) Warranty costs are provided based on a estimates of the cost required to be incurred for repairs,replacement,material cost,servicing,and past experience in respect of warranty costs.
ii) The provision of warranty as required to be disclosed in compliance with Ind AS 37, Provisions, Contingent liabilities and Contingent Assets's as above.

26 FINANCIAL LIABILITIES - CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured		
From Banks		
Overdraft / Cash Credit Facility from Banks[1&2]	1607.21	-
From Others	-	-
Unsecured		
From Banks		
Credit Card Dues	1.37	1.77
Current maturities of Long Term Debts (Note 24)	195.32	92.69
Total	**1803.90**	**94.45**

Note: 1: Summary of Overdraft / Cash Credit facilities from banks are as under:

(A) Cash Credit Facilities - Axis Bank - ₹ 1000 Lakhs

Banker	Axis Bank
Sanction Limit (₹ in Lakhs)	2200.00
Outstanding Limit (₹ in Lakhs)	1552.65
Interest Rate	Repo Rate + 3.65%
Purpose	Working Capital Purpose
Security	a) Hypothecation on current assets of the comapany present and future. b) 45% in the form of Liquid with banks lien noted on thereon including cash Margin of BG/LC.
Personal Guarantees	Further, secured by personal guarantee of Mr. Ram Agarwal & Mr Vikas Agarwal

(B) Cash Credit Facility - ICICI Bank - ₹ 775 Lakhs

Banker	ICICI Bank
Sanction Limit (₹ in Lakhs)	775.00
Outstanding Limit (₹ in Lakhs)	54.56
Interest Rate (Bill Discounting)	Repo + 3%
Cash Margin (₹ In Lakhs)	77.50
Security	It is same as mentioned for business loan taken from ICICI Bank. See Note No. 24.
Personal Guarantees	Personal Guarantees of Mr Ram Agarwal & Vikas Agarwal

Note: 2 The Company does not have any continuing default in repayment of loans and interest as on the reporting date.
Note:3>> Borrowings from banks and financial institutions have been used for the purpose for which they were obtained.
Note: 4> Disclosure of Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, is given at Note No. 50.

27 FINANCIAL LIABILITIES - CURRENT - TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) total outstanding dues of micro enterprises and small enterprises;	661.90	32.77
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	4717.10	4510.98
Total	**5379.00**	**4543.75**

Note: 1 Detailed ageing schedule and details of outstanding dues of micro enterprise and small enterprises are given at Note No. 46.3.

28 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest accrued but not due on borrowings	0.67	1.97
Salary Payables including bonus	3.49	96.40
Directors Remuneration payable	3.01	29.44
Sitting Fees Payable to Directors	0.88	-
Other Outstanding Expenses	4.36	10.79
Total	**12.41**	**138.60**

29 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory Liabilities	221.58	96.21
Advances from Customers	87.77	13.41
Total	**309.35**	**109.61**

30A CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Tax	748.27	-
Less: TDS / Advance Tax Paid	598.63	-
Net Current Tax Liabilities/ Assets	**149.64**	**-**

30B CURRENT TAX ASSETS

Particulars	As at 31st March, 2023	As at 31st March, 2022
TDS / Advance Tax Paid	-	445.75
Less: Provision for Tax	-	427.64
Net Current Tax Liabilities/ Assets	**-**	**18.10**

31 LEASES

(₹ in Lakhs)

Company as a Lessee

The Company has taken on some properties on long-term leases and short-term leases. Most of the property leases include renewal and escalation clauses. The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach.

In respect of Leased Properties taken on Long-term :

Impact of Adoption of Ind AS 116 on the Statement of Profit and Loss (excluding corresponding deferred tax):

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest on Lease Liabilities	1.08	1.56
Depreciation of Right-of-Use Assets	0.42	0.42
Actual Lease Rental Paid	7.20	7.74
Impact on Statement of Profit or Loss	-11.39	-11.54

Lease Liabilities Reconciliation

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Lease Liabilities Recognised	17.64	23.83
Lease Liabilities Recognised during the Year	-	-
Interest on Lease Liabilities	1.08	1.56
Repayment / Actual Rent Paid	7.20	7.74
Closing Lease Liabilities	11.53	17.64

Classification of Lease Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Lease Liabilities	5.81	6.08
Non-Current Lease Liabilities	5.72	11.56

Note: The Company has inadvertently shown the Leasehold Land under Investment Property, which is now been regrouped under ROU Asset. Refer Note - 54 for adjustments done in prior period against the rectification of error.

In respect of Leased Properties :

Company has taken certain offices and residential premises under operating lease agreements for short period. Aggregate rental of ₹ 172.41 Lakhs Lakhs (Previous Year - ₹ 129.61 Lakhs) lakhs on such leases has been charged to Statement of Profit and Loss.

32 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Sale of Products	21383.29	16399.95
Sale of Services	611.55	519.15
Sale of EPC Contracts (Solar)	906.91	189.39
Other Operating Revenues	21.74	4.77
Total Revenue from Operations	**22923.49**	**17113.26**

Reconciliation of Sale of Services	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Service Charges Billed During the Year	593.42	587.82
Opening Unbilled Revenues from Services	-34.14	-102.80
Closing Unbilled Revenues from Services	52.27	34.14
Net Revenue from Sale of Services	**611.55**	**519.15**

Geographical disaggregation	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Sales in India	22892.27	17113.26
Sales Outside India	31.22	-
Total	**22923.49**	**17113.26**

Reconciliation of Revenue from Sale of Products	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Sales from Product Billed	30491.22	25523.75
Less: Interbranch Transfers	9107.92	9123.80
Net Sales from Products	**21383.29**	**16399.95**

33 OTHER INCOMES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest Incomes:		
Interest Income on bank deposits	55.72	35.68
Interest Received on Arbitration Award[1]	50.36	-
Interest Income on IT Refunds	0.28	-
Other Non-Operating Incomes		
Rent / Lease Income (Refer Note 6)	6.60	4.38
Foreign Exchange Gain (Net)	-	5.52
Net Gain (Loss) on disposal of PPE/Investment Property	-	21.23
Net Gain on Sale of Investments	4.34	7.22
Recovery of Bad Debts through Arbitration Award[1]	80.16	-
Other Incomes	0.36	118.91
Total	**197.81**	**74.04**

Note-1: During the financial year 2022-23, the company has received a sum of Rs. 80.16 Lakhs as principal amount against old unpaid disputed dues and Rs. 50.35 Lakhs as interest thereon from M/s Mphasis Limited in terms of arbitration award dated 16th April, 2021 given by Appellate Tribunal of Shri Justice H.N. Nagamohan Das, Sole Arbitrator At Arbitration & Conciliation Center - Bengularu (Domestic & International) in the matter of A/c No. 20/2019 between Mphasis Limited and M/s Prostarm Info Systems Limited (the Company).

34 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Inventory at the Commencement of the Year	10.12	0.00
Add: Purchases made during the year	508.52	22.19
Less: Inventory at the End of the Year	263.19	10.12
Net Cost of Material Consumed	**255.45**	**12.07**

35 PURCHASE OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Purchases made during the Year	26112.24	23191.22
Inter-Branch Purchases	-9107.92	-9123.80
Net Purchases of Stock-In-Trade	**17004.32**	**14067.42**

36 CHANGE-IN-INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-I

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Inventory at the Beginning of the Year	**2891.43**	**1736.31**
Traded Goods	2886.34	1736.31
Finished Goods	0.93	-
Work-in-Progress	4.16	-
Inventory at the End of the Year	**3330.71**	**2891.43**
Traded Goods	3280.62	2886.34
Finished Goods	44.73	0.93
Work-in-Progress	5.36	4.16
Change-in-Inventory During the Year	**-439.28**	**-1155.12**

37 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Salary and Wages (Including Bonus)	1152.23	1010.05
Directors' Remuneration	101.14	49.12
Staff Welfare Expenses	73.54	47.49
Contribution to provident and other funds	59.51	67.56
Gratuity Expense	23.15	21.02
Employee Insurance Expenses	12.13	8.45
Total	**1421.70**	**1203.70**

PROSTARM INFO SYSTEMS LIMITED MUMBAI

38 FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest Expense	107.50	15.76
Other Borrowing Cost (upfont fees, renewal fees, etc)	17.41	25.91
Other Bank Charges	24.78	16.69
Interest / Penalty on Income-tax	4.22	22.02
Interest on TDS/TCS	0.29	0.31
Interest on Leased Liability	1.23	1.56
Total	**155.44**	**82.25**

39 DEPRECIATION & AMORTIZATION EXP

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Depreciation on PPE (Refer Note-5)	91.64	44.06
Depreciation on Investment Properties (Refer Note-7)	6.19	7.93
Amortization on Intangible Assets (Refer Note-8)	4.29	0.03
Amortization of Right-of-Use Assets (Refer Note-9)	0.42	0.42
Total	**102.53**	**52.44**

40 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Operating & Manufacturing Overheads		
Freight & Transportation Charges	325.26	394.49
Labour Charges	14.61	8.14
Custom Clearing & Forwarding Charges	79.51	9.13
Service Charges	76.20	66.87
Installation Charges	48.76	33.43
Loading & Unloading Charges	39.47	37.90
Total (A)	**583.80**	**549.96**

Continue....

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Establishment Expenses		
Corporate Social Responsibility Expenses	25.00	17.50
Business Promotion Expenses	15.68	7.80
Misc Expenses	22.04	7.10
Electricty & Water Charges	14.02	12.68
Insurance Charges	8.62	5.26
Interest, Late Fees & Demands - GST	21.89	16.92
Repair & Maintenance Charges	27.84	18.14
Tender Fee	9.24	7.63
Office & Misc Expenses	93.36	78.98
Postage & Courier Charges	6.72	4.53
Printing & Stationery	9.46	5.48
Professional & Consultancy Charges	216.45	62.06
Rent, Rates & Taxes	173.21	132.01
Telephone & Internet Exp	7.04	4.21
Travelling & Conveyance Expenses	403.31	291.63
Brokerage & Commission	14.90	10.41
ROC Fees	39.49	-
Audit Fees	6.00	5.00
Sitting Fees to Directors	0.88	-
Security Service Charges	4.40	-
Recuritment Service Charges	4.00	-
Donations	1.00	-
Warranty Expenses	42.77	-
Allowance for Bad & Doubtful Debts	9.57	-
Penalty under GST Law	0.25	2.15
Sundry Balance Written Off	35.54	43.86
Lease Registration Charges	5.18	-
Foreign Exchange Loss (Net)	24.28	-
Total (B)	**1242.14**	**733.34**
Total (A+B)	**1825.94**	**1283.30**

40.1 PAYMENT TO AUDITORS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
a) Auditors	6.00	5.00
b) for taxation matters	-	-
c) for other services	-	-
d) for company law matters	-	-
e) for reimbursement of expenses	-	-
Total	**6.00**	**5.00**

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41 INCOME TAX EXPENSE

(₹ in Lakhs)

The major components of income tax expense for the year ended 31st March, 2023 are indicated below:

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
a) Statement of Profit or Loss for the Year ended		
Current Tax :		
Current tax on profit for the year	748.27	427.64
Charge/Credit in respect of current tax for earlier year	3.78	5.85
Total Current Tax	**752.04**	**433.49**
Deferred Tax :		
Origination and reversal of temporary differences	-18.26	16.13
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total Deferred Tax :	**-18.26**	**16.13**
Total Tax Expense / (Credit) for the Year	**733.78**	**449.62**
b) Statement of Comprehensive Income for the Year ended		
Deferred tax (Credit) / charge on :		
Re-measurement of defined benefit obligations	2.09	1.71
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total	**2.09**	**1.71**

(A) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Accounting Profits / (loss) before tax	2795.20	1641.25
Statutory income tax rate (%)	25.17	25.17
Tax at Indian statutory income tax rate	703.50	413.07
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	35.81	1.31
Permanent Disallowances	8.96	13.27
Changes in deferred tax balances due to the change in income tax rate for the year	-	-
Total Income-tax Expense / (Credit)	**748.27**	**427.64**
Effective income tax rate (%)	26.77%	26.06%

(B) The movement in deferred tax assets and liabilities during the financial year 21-22 and 22-23 are as under:

Particulars	As at 31st March, 2022	Charged / (Credited) to P&L	Charged / (Credited) to OCI	As at 31st March, 2023
Deferred Tax Assets :				
Provision of doubtful debts and advances	-	2.41	-	2.41
Provision for Warranty Expense	-	10.76	-	10.76
Provision of Gratuity (Employee Benefits)	19.16	4.87	-2.09	21.94
Carry forward of Capital Losses	2.80	0.00	-	2.80
Temporary Disallowances under IT Act	1.26	0.25	-	1.51
Property, Plant & Equipment	22.32	-0.03	-	22.29
Deferred Tax Liabilities				
Property, Plant & Equipment	-	-	-	-
Fair Valuation of Investments	-	-	-	-
Total	**-45.54**	**-18.26**	**2.09**	**-61.71**

Particulars	As at 31st March, 2021	Charged / (Credited) to P&L	Charged / (Credited) to OCI	As at 31st March, 2022
Deferred Tax Assets :				
Provision of doubtful debts and advances	-	-	-	-
Provision for Warranty Expense	-	-	-	-
Provision of Gratuity (Employee Benefits)	9.74	11.13	-1.71	19.16
Carry forward of Capital Losses	0.00	2.80	-	2.80
Temporary Disallowances under IT Act	0.23	1.03	-	1.26
Property, Plant & Equipment	53.40	-31.08	-	22.32
Deferred Tax Liabilities				
Property, Plant & Equipment	-	-	-	-
Fair Valuation of Investments	-	-	-	-
Total	**-63.37**	**16.13**	**1.71**	**-45.54**

Particulars	For the Year Ended on 31st March, 2020	Charged / (Credited) to P&L	Charged / (Credited) to OCI	For the Year Ended 31st March, 2021
Deferred Tax Assets :				
Provision of doubtful debts and advances	-	-	-	-
Provision of Gratuity (Employee Benefits)	16.93	-1.35	-5.84	9.74
Carry forward of Capital Losses	-	-	-	-
Temporary Disallowances under IT Act	0.23	-	-	0.23
Deferred Tax Liabilities				
Property, Plant & Equipment	-40.99	-12.41	-	-53.40
Fair Valuation of Investments	-	-	-	-
Total	**-58.15**	**-11.05**	**5.84**	**-63.37**

42 RELATED PARTY TRANSACTIONS

(₹ in Lakhs)

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are reported as under:

A. Name of related parties and description of relation:

(I) Entities where control exist – Subsidiaries

Name of Company	Nature of Relationship
Prostarm Energy Systems Private Limited	Subsidiary

(II) Other Related Parties

Name of Company / Entity	Nature of Relationship
Mr Shyam Sundar Agarwal	Relative of Director
Mr Santosh Agarwal	Relative of Director
Mrs Parvati Agarwal	Relative of Director
Mrs. Jayanti Ghose	Relative of Director
Mrs. Kavita Jain	Relative of KMP
S K Enterprises (Prop. Kavita Jain)	Proprietorship Firm of Relative of KMP

(iii) Key Managerial Personnel (KMP)

Designation	Name
Chairman & Managing Director	Mr. Tapan Ghose
Whole Time Director & Chief Executive Officer	Mr. Ram Agarwal
Whole Time Director	Mrs. Sonu Ram Agarwal
Whole Time Director	Mr. Vikas Shyamsunder Agarwal
Whole Time Director	Mr. Raghu Ramesh Thammannashastri
Independent Director	Mr. Aniruddha Madhav Oke[7]
Independent Director	Mr. Harsh Jodhani[12]
Independent Director	Mr. Goutam Paul
Independent Director	Mr. Bhargav Chatterjee
Independent Director	Mr. Ganesh Basant Kumar Pansari
Independent Director	Mr. Shivkumar Baser
Independent Director	Ms. Mitali Chatterjee
Chief Financial Officer	Mr. Abhishek Jain
Company Secretary	Mr. Prashant Sharad Patankar

Note: Related party relationship is as identified by the Company and relied upon by the auditors.

B. Related Party Transactions

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The Company has not recorded any impairment of receivables relating to amounts owed by related parties as at reporting dates. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates. There are no commitments with related parties.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant period:

Transaction Type / Party	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Unsecured Loan Taken	-	-
Unsecured Loan Repaid		
Mr Shyam Sundar Agarwal	40.00	-
Short term employee benefits**		
Mr Tapan Ghose	6.23	6.23
Mr Ram Agarwal	48.23	48.23
Mrs Sonu Ram Agarwal	24.23	24.23
Mr. Raghu Shastri	22.43	18.43
Mrs. Parvati Agarwal	6.23	6.23
Mr. Santosh Agarwal	6.23	6.23
Mrs. Jayanti Ghose	7.23	6.23
Mr. Abhishek Jain	5.22	-
Mr. Prashant Sharad Patankar	1.35	-
Ms. Kavita Jain	1.02	-
Sales Commission Paid /Payable		
Mr. Vikas Agarwal	6.00	6.00
Sitting Fees Paid /Payable		
Mr. Goutam Paul	0.20	-
Mr. Bhargav Chatterjee	0.28	-
Mr. Ganesh Pansari	0.10	-
Mr. Shivkumar Baser	0.10	-
Ms. Mitali Chatterjee	0.20	-
Rent Received / Receivable		
Mr. Ram Agarwal	2.40	2.40
Salary Advances		
Mr. Santosh Agarwal	0.65	-
Mr. Ram Agarwal	12.61	-
Mrs. Sonu Ram Agarwal	9.48	-
Mrs. Parvati Agarwal	12.83	
Mrs. Jayanti Ghose	1.50	0.58
Mr. Abhishek Jain	3.00	-
Sale of Products		
Prostarm Energy Systems Private Limited	55.05	1.78
S K Enterprises (Prop. Kavita Jain)	1.00	-
Sale of Services		
Prostarm Energy Systems Private Limited	-	2.33
Purchase of Materials / Products		
Prostarm Energy Systems Private Limited	1181.51	48.74
S K Enterprises (Prop. Kavita Jain)	1.93	-
Reimbursement of Expenses		
Prostarm Energy Systems Private Limited	5.63	-
Mr. Abhishek Jain	0.06	-
Mr. Prashant Sharad Patankar	-	-
Investment in Share Capital		
Investment in Share Capital of Prostarm Energy Systems Pvt. Ltd.	-	345.78
Advances Given for Puchase of Goods		
Prostarm Energy Systems Private Limited	8.02	-

**The remuneration to the Key Management Personnel does not include provision made for gratuity as they are determined on an actuarial basis for the Company as a whole.

The receivables from and payables to related parties as at 31st March, 2023 and 31st March, 2022 are set out below:

Related Party	As at 31st March, 2023	As at 31st March, 2022
Payable To		
Mr. Shyam Sunder Agarwal (Unsecured Loan)	-	40.00
Mr. Ram Agarwal (Remuneration)	1.66	17.72
Mrs. Sonu Ram Agarwal (Remuneration)	1.35	12.61
Mr. Raghu Ramesh Thammannshastri (Remuneration)	-	1.51
Mr. Vikas Agarwal (Commission)	-	10.79
Mr. Vikas Agarwal (Remuneration)	-	-
Mrs Parvati Agarwal (Salary)	-	9.54
Mr. Santosh Agarwal (Salary)	-	4.32
Mrs Jayanti Ghose (Salary)	-	-
Mr. Goutam Paul (Sitting Fees)	0.20	-
Mr. Bhargav Chatterjee (Sitting Fees)	0.28	-
Mr. Ganesh Basant Kumar Pansari (Sitting Fees)	0.10	-
Mr. Shivkumar Baser (Sitting Fees)	0.10	-
Ms. Mitali Chatterjee (Sitting Fees)	0.20	-
Prostarm Energy Systems Private Limited (Purchase)	-	14.57
Receivable From		
Mr. Santosh Agarwal (Salary Advance)	0.65	-
Mrs Jayanti Ghose (Salary Advance)	1.70	0.58
Mr. Ram Agarwal (Rent Receivable)	-	2.40
Mr. Abhishek Jain (Salary Advance)	2.00	-
M/s SK Enterprise Proprietor Ms Kavita Jain (Sales)	2.07	-
Prostarm Energy Systems Private Limited (Sales)	34.16	-
Prostarm Energy Systems Private Limited (Purchase Advance)	8.07	-

Note-1> Mr. Ram Agarwal, CEO has also appointed as Director of the Company with effect from March 25, 2022.

Note-2> Mr. Aniruddha Madhav Oke was appointed as an Independent Director with effect from March 25, 2022 and has resigned with effect from March 25, 2023.

Note-3> Ms. Nehal Kriti Gangar, Independent Director has resigned from her post with effect from 21st March, 2022.

Note-4> Mr. Abhishek Jain has been appointed as Chief Financial Officer of the Company with effect from 24th Jan, 2023.

Note-5> Mr. Prashant Patankar has been appointed as Company Secretary of the Company with effect from 24th Jan, 2023.

Note-6> Mr. Goutam Paul was appointed as an Independent Director with effect from March 9, 2023.

Note-7> Mr. Bhargav Chatterjee was appointed as an Independent Director with effect from March 9, 2023.

Note-8> Mr. Ganesh Pansari was appointed as an Independent Director with effect from March 9, 2023.

Note-9> Mr. Shivkumar Baser was appointed as an Independent Director with effect from March 9, 2023.

Note-10> Ms. Mitali Chatterjee was appointed as an Independent Director with effect from March 9, 2023.

Note-11> Transaction with Ms. Kavita Jain and her Proprietorship Firm Namely SK Enterprise have been considered for the period on or after 24th Jan, 2023 i.e. after appointment of Mr Abhishek Jain as CFO of the Company being relative of Ms Kavita Jain.

Note -12> Mr Harsh Jhodani has resigned from the post of Independent Director with effect from March 25, 2023.

Terms & Conditions:

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists. For the FY 2023 and FY 2022, the company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Loans from related parties:

The Company had taken loans from related parties for business requirement. The loan balances as at March 31, 2023 is Rs. 0 and March 31, 2022 was Rs. 40 Lakhs. These loans are unsecured in nature.

43 EARNING PER SHARE

(₹ in Lakhs)

Basic Earnings per share ('EPS') amounts are calculated by dividing the Profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the Profit/(loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
A. Nos. of Equity Shares outsanding at end of year	42874592	9083600
B. Weighted Average number of Equity Shares for Basic & Diluted EPS		
Number of equity shares at the beginning of the year	9083600	9083600
Add: No. of Bonus Shares issued during the year**	33790992	33790992
Weighted average number of shares outstanding during the year for Basic & Diluted EPS	**42874592**	**42874592**
C. Profit attributable to ordinary shareholders		
Profit (Loss) attributable to owners of Company after Exceptional Items (₹ In Lakhs)	2061.42	1191.63
Less: Extraordinary/Exceptional Income after tax (₹ In Lakhs)	0.00	0.00
Profit attributable to ordinary shareholders before Exceptional Items (₹ In Lakhs)	2061.42	1191.63
D. Earning per Share before Exceptional Income		
Basic & Diluted Earning Per Share (In ₹)	**4.81**	**2.78**
E. Earning per Share after Exceptional Income		
Basic & Diluted Earning Per Share (In ₹)	**4.81**	**2.78**
F. Nominal Value of Shares (In ₹)	10.00	10.00

** The Company has issued bonus share in the ratio of 372:100 during the year ended 31st March, 2023 (refer note 22.3(vi)).Inline with the requirements of Para 28 of Ind AS 33,for the purpose of EPS calculations, bonus shares issued have been considered as if the event of bonus issue had occurred at the beginning of the earliest period reported.

44 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Contingent Liabilities		
Claims against the company not acknowledged as debt[1]	11.30	11.30
Guarantees & LC excluding financial guarantees[2]	1050.94	643.02
Other money for which the company is contingently liable[3]	3.06	437.74
Commitments		
Estimated amount of contracts remaining to be executed on capital account & not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments	-	-

Notes:

1. The Company has certain disputes, lawsuits and claims, which arise in from time to time in the ordinary course of business. The Company believes these matters are not expected to have material impact on the Financial Statements.
2. Includes Bank Guarantees issued in favour of various customers for supply of materials, tendering, etc
3. Represents demands raised by Income tax and service tax authorities pending before appellate authorities or appeal to be filed within due course.

45 FINANCIAL RISK MANAGEMENT

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Financial Risk Factors

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers and related party. The Company operates majorly with AMCs with high credit ratings resulting in limited credit risk on trade receivables.
Liquidity risk	Liabilities	Rolling cash flow forecasts	The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company believes that the working capital and its cash and cash equivalent are sufficient to meet its short and medium term requirements.
Market risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	The Company has very limited exposure to the financial risk of changes in foreign currency exchange rates.

A. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a. Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

The Company provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, trade receivables, cash and cash equivalents, financial assets measured at amortised cost	12 month expected credit loss or
High credit risk	Trade receivables	Life time expected credit loss or specific provision, as required

(₹ in Lakhs)

Particulars	Note	Note No.	As at 31st March, 2023	As at 31st March, 2022
Low credit risk				
Security deposits	Other Current Assets - Non Current	12	248.76	271.27
Trade receivables	Current & Non-Current Trade Receivables	10 & 16	6609.10	3438.10
Cash and cash equivalents	Cash and cash equivalents	17	49.67	185.15
Bank balances other than Cash and cash equivalents	Current Financial Assets - Other Bank Balances	18	8.66	-
Other financial assets	Other Financial Assets - Current & Non Current	11,12,15,19 & 20	2184.98	1531.81
High credit risk				
Trade receivables	Current & Non-Current Trade Receivables	10 & 16	95.68	39.10
Loans			-	-
Total			**9116.85**	**5404.64**

***These represent carrying values of financial assets, without deduction for expected credit losses**

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Company. The Company has also taken advances from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Company recognises a impairment for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans to related parties, loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits.

b. Expected credit losses for financial assets

i. Financial assets (other than trade receivables)

Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

- For cash & cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Company knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Company policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

(₹ in Lakhs)

Particulars	Notes	Gross carrying amount	Expected probability of Default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2023					
Cash and cash equivalents	17	49.67	0%	-	49.67
Other bank balances	18	8.66	0%	-	8.66
Other financial assets	11,12,15,19 & 20	2353.74	0%	-	2353.74
March 31, 2022					
Cash and cash equivalents	17	185.15	0%	-	185.15
Other bank balances	18	-	0%	-	0.00
Other financial assets	11,12,15,19 & 20	1802.28	0%	-	1802.28

ii) Expected credit loss for trade receivables under simplified approach (₹ in Lakhs)

As at March 31, 2023 and March 31, 2022, the Company considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 6 months after the reporting date. In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Particulars	Carrying Amount Net of Impairment Provision	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses
March 31, 2023				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	86.11	95.68	10.00%	9.57
Total	**86.11**	**95.68**		**9.57**
March 31, 2022				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	-	-	0.00%	-
Total	-	-		-
March 31, 2021				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	-	-	0.00%	-
Total	-	-		-

Reconciliation of loss allowance provision for Trade receivables from beginning to end of reporting period:

Particulars	Trade receivables
Loss allowance as at April 1, 2021	-
Changes in loss allowance	-
Loss allowance as at March 31, 2022	-
Changes in loss allowance	9.57
Loss allowance on March 31, 2023	**9.57**

B. **Market Risk**

a) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities that are not hedged by a derivative at the end of the reporting period are as follows.

(₹ in Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Foreign Currency*	Rs.	Foreign Currency*	Rs.
Trade Payables				
USD**	8,98,623	737.86	12,26,695	931.19
CNY***	-	-	-	-
Trade Receivables	-	-	-	-
Other Payables				
USD**	-	-	-	-
CNY***	-	-	-	-
Total		737.86		931.19

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Company's financial assets and financial liabilities at the reporting date. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

Sensitivity analysis of 5% change in exchange rate at the end of reporting period.

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	USD**	CNY***	USD**	CNY***
Foreign Currency Sensitivity				
Impact on Profit & Loss				
5% Appreciation in (₹)	36.89	-	46.56	-
5% Depreciation in (₹)	-36.89	-	-46.56	-

*foreign currency is presented in absolute numbers.
**USD represents for United States Dollar
***CNY represents for Chinese Yuan Renminbi

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates on account of procurement of goods/materials from outside India.

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C. **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company believes that the working capital and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

As at 31st March, 2023 *(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	1608.58	1608.58	1608.58	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	811.41	811.41	195.32	616.09
Lease Liability	11.53	11.53	5.81	5.72
Trade Payables	5375.00	5379.00	5379.00	-
Other Financial Liabilities	12.41	12.41	12.41	-

As at 31st March, 2022 *(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	1.77	1.77	1.77	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	303.30	303.30	92.69	210.61
Lease Liability	17.64	17.64	6.08	11.56
Trade Payables	4543.75	4543.75	4543.75	-
Other Financial Liabilities	138.60	138.60	138.60	-

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Notes to the Standalone Financial Statements for the year ended 31st March, 2023

46 TRADE PAYABLES - DISCLOSURES

(₹ in Lakhs)

46.1 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	661.90	-	-	-	661.90
(ii) Others	-	-	4681.20	35.90		-	4717.10
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-

46.2 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	32.77	-	-	-	32.77
(ii) Others	-	-	4502.27	8.71	-	-	4510.98
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-

46.3 DISCLOSURE FOR AMOUNT DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
A. Principal amount remaining unpaid (Refer Note 27)	661.90	32.77
B. Interest due thereon	-	-
C. Interest paid by company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to suppliers beyond the appointed day during the year	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
E. Interest accrued and remaining unpaid at the end of each accounting year;	-	-
F. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise	-	-

47 Disclosure of Loans & Advances to Promoters, Directors , KMPs & the Related Parties

(₹ in Lakhs)

Type of Borrower	As on 31st March, 2023		As on 31st March, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	2.00	4.98%	-	0.00%
Related Parties	2.35	5.85%	0.58	2.18%

Note: During the current and previous reporting period, company has not granted any loan or advances to promoters, directors, KMPs and their relatives except small advances against remuneration and salaries as above.

48 TRADE RECEIVABLES - DISCLOSURES

(₹ in Lakhs)

48.1 Ageing for current trade receivables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	52.27	5985.83	305.76	-	-	-	6343.86
have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	8.48	-	-	-	8.48
(v) Disputed Trade Receivable, which have significant increase in credit	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	52.27	5985.83	314.24	-	-	-	6352.34

Note: There are not any trade receivables which are not due on reporting date.

48.2 Ageing for non-current trade receivables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	140.66	67.38	57.20	265.24
have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	10.01	77.18	-	87.20
(v) Disputed Trade Receivable, which have significant increase in credit	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	150.68	144.56	57.20	352.44

Note: There are not any trade receivables which are not due on reporting date.

48.3 Ageing for current trade receivables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	34.14	3059.67	51.19	-	-	-	3144.99
have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	5.03	-		-	-	5.03
(v) Disputed Trade Rece, which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	34.14	3064.70	51.19	-	-	-	3150.02

Note: There are not any trade receivables which are not due on reporting date.

48.4 Ageing for non-current trade receivables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	213.80	27.75	51.56	293.11
have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit inpaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	34.07	-	-	34.07
(v) Disputed Trade Rece, which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit inpaired	-	-	-	-	-	-	-
Total	-	-	-	247.87	27.75	51.56	327.18

Note: There are not any trade receivables which are not due on reporting date.

49 Details of loans given, investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013.

Loans given and Investments made are given under the respective heads. *(₹ in Lakhs)*

Particulars	Transaction Type	As at 31st March, 2023	As at 31st March, 2022
Prostarm Energy Systems Private Limited	Investment	345.78	345.78

50 The Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, are materially in agreement with Books of Accounts except the following figures of as of 31st March, 2023:

Name of Bank	Year	Quarter	Particulars	Amount as per Books of Account	Amount Reported in Stock Statement	Amounts of Difference	Reason for Discreparcies
Axis Bank, ICICI Bank	2022-23	1st	Inventory	3583.03	4848.20	-1265.17	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4074.87	4453.30	-378.43	
			Trade Payables	-4373.17	-4990.20	617.03	
Axis Bank, ICICI Bank	2022-23	2nd	Inventory	2730.93	4100.60	-1369.67	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	5881.62	6036.00	-154.38	
			Trade Payables	-4424.32	-4319.00	-105.32	

Axis Bank, ICICI Bank	2022-23	3rd	Inventory	3813.20	4129.00	-315.80	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4634.44	4705.00	-70.56	
			Trade Payables	-4397.96	-4315.00	-82.96	
Axis Bank, ICICI Bank	2022-23	4th	Inventory	3593.90	3736.40	-142.50	of corresponding input taxes on inventory for bank Submission
			Trade Receivables	6704.77	6672.90	31.87	Unbilled Revenue provision was not part of Trade Receivables
			Trade Payables	-5310.04	-4984.00	-326.04	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts
Axis Bank, ICICI Bank, Bandhan Bank	2021-22	1st	Inventory	2565.18	2657.01	-308.17	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	3349.59	3689.63	-340.04	
			Trade Payables	-3805.2	-3667.83	-137.37	
Axis Bank, ICICI Bank, Bandhan Bank	2021-22	2nd	Inventory	3713.12	3177.64	535.48	Due to pending finalisation of Quarterly Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	3827.13	4201.5	-374.37	
			Trade Payables	-3842.56	-3850.35	7.79	
			Inventory	2674.62	2785.48	-110.86	Due to pending finalisation of Quarterly

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Axis Bank, ICICI Bank, Bandhan Bank	2021-22	3rd	Trade Receivables	3522.24	3572.3	-50.06	Accounts, Clearing of un-identified receipts, advances, TDS as per customer / vendor advice
			Trade Payables	-2321.38	-2531.91	210.53	
Axis Bank, ICICI Bank, Bandhan Bank	2021-22	4th	Inventory	2901.55	3490.17	-588.62	a) Inventory of Spare & Parts having value of ₹ 40.72 Lakhs at the end of reporting period were not declared in statements provided to banks; b) Inventory value declared in the Statement provided to banks is inclusive of taxes;
			Trade Receivables	3477.14	3695.23	-218.09	Difference is on account of due reconciliation with debtors and 26AS.
			Trade Payables	-4548.42	-4324.59	-223.83	Difference is on account of due reconciliation with creditors.

51 RATIO ANALYSIS

(₹ in Lakhs)

Particulars	FY 2022-23	FY 2021-22	Variance	Reasons for Variance
	Rs.	Rs.	Rs.	
(a) Current Ratio	**1.37**	**1.47**	**-6.54%**	
- Current Assets	10584.48	7210.74		
- Current Liabilities	7702.02	4903.86		
(b) Debt-Equity Ratio	**0.39**	**0.07**	**429.22%**	
- Total Debt	2419.99	305.06		Debts have been increased during the year.
- Shareholders Equity (Other than OCI)	6192.92	4131.50		
(c) Debt Service Coverage Ratio	**7.47**	**11.43**	**-34.67%**	
-Earnings available for debt service	2271.45	1259.82		Debts have been increased during the year.
-Debt Service	304.19	110.22		
(d) Return on Equity Ratio	**0.40**	**0.34**	**18.49%**	
- Net Profits after taxes	2061.42	1191.63		
- Average Shareholder's Equity (Other than OCI)	5162.21	3535.69		
(e) Inventory turnover ratio	**5.18**	**5.57**	**-7.07%**	
- Cost of Goods Sold or Sales	16820.49	12924.37		
- Average Inventory	3247.72	2318.93		
(f) Trade Receivables turnover ratio	**4.50**	**4.79**	**-6.08%**	
- Net Credit sales	22923.49	17113.26		
- Average Trade Debtors / Accounts receivable	5090.99	3569.72		
(g) Trade payables turnover ratio,	**3.53**	**3.38**	**4.48%**	
- Net Credit Purchases	17512.83	14089.61		
- Average Trade Payables	4961.38	4170.56		
(h) Net capital turnover ratio,	**8.83**	**7.52**	**17.46%**	
- Net Sales	22923.49	17113.26		
- Average Working Capital	2594.67	2275.14		
(i) Net profit ratio,	**8.99%**	**6.96%**	**29.15%**	Due to increase in revenue by approx. 25% in FY23 as against FY22 and result of optimization of scale of operation
- Net profit	2061.42	1191.63		
- Net Sales	22923.49	17113.26		
(j) Return on Capital employed,	**41.84%**	**37.27%**	**12.26%**	
- Earnings Before Interest and tax	2902.70	1657.01		
- Capital employed	6937.40	4445.88		
(k) Return on investment,	**3.93%**	**3.01%**	**30.29%**	
- Earnings on Investment	4.34	7.22		It is as per general increase in investment value as per market derives.
- Average Investment	110.48	239.75		

Capital employed refers to Total Assets less Current Liabilities as at close of period/year.
Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations and Interest
"Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

Working Capital implies Current Assets less Current Liabilities.
Return on Investment is calculated on the basis of average cost of investments held during the respective year.
All figures related to profit and loss have been extrapolated for the purpose of calculation of ratios.

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52 DETAILS OF TITLE DEEDS OF IMMOVABLE PROPERTIES

Description of item of property	Relevant line item in the Balance sheet	Gross carrying value (₹ In Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
179A/1H, Maniktala Main Road, Kolkata, Kolkata, West Bengal, 700054	PPE	26.15	Pagdi System	No	31-Mar-2015	As per system prevailing in the State
EL-79, Electric Zone, A-Block, Trans Thane Creek Industrial Area, MIDC, Village Mahape, Thane - MH	CWIP	897.31	Transfer of Title in the name of Company is in process.	No	30-Aug-2022	Charge is registered with ROC. Transfer of title is in progress in records of MIDC.
Shop No.2, Khemka House, Nilmani Society, Drive In Road, Memnagar, Ahmedabad, Gujrat, 380059, Ahmedabad, Gujrat	Investment Property	0.83	PISL[1]	No	31-Mar-2009	
Apartment No.3307, 33RD Floor,Parkwood D5-Phase II,Ghodbunder Road, Kavesar, Behind Dmart, Thane (West), 400615	Investment Property	71.61	PISL[1]	No	22-Mar-2022	
Apartment No.3308, 33RD Floor, Parkwood D5-Phase II, Ghodbunder Road, Kavesar, Behind Dmart, Thane (West), 400615	Investment Property	71.61	PISL[1]	No	22-Mar-2022	
Plot No.464, Yamuna Expressway Area, Sector-32, Noida, UP	RDU	41.17	PISL[1]	No	13-Sep-2019	
Flat No. A3/12/F1/103, First Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sector-54, 56, 58, Nerul, Navi Mumbai.	Investment Property	159.30	PISL[1]	No	19-Mar-1998	
Shop No.6, Ground Floor, Neelkanth Corner Co-op HSG SOC Ltd, Plot No.2, Sector-2, Sanpada, Navi Mumbai, 400705	Investment Property	74.50	PISL[1]	No	20-Feb-2014	
Shop No.7, Ground Floor, Neelkanth Corner Co-op HSG SOC Ltd, Plot No.2, Sector-2, Sanpada, Navi Mumbai, 400706	Investment Property	42.70	PISL[1]	No	20-Feb-2014	

1. PISL stands for Prostarm Info Systems Limited.

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33 SEGMENT INFORMATION

A) The principal business of the Company is sale of 'Customized Power Electronic Solutions' products. All other activities of the Company revolve around its principal business. The Executive Committee of the Company, has been identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. CODM have concluded that there is only one operating reportable segment as defined under IND AS 108 "Operating Segments", i.e. Customized Power Electronic Solutions.

B) Disaggregation of Revenue from Operations by Geographical Area has been provided at Note No. 32.

C) All Non-Current Assets of the Company are located within India only.

D) Information about Major Customers

Following are the details of single customer who contributes 10% or more to the Company's revenue during the year ended 31st March 2023 and 31 March 2022:

Name of Customer	For the Year Ended 31st March, 2023		For the Year Ended 31st March, 2022	
	Revenue	% to total Entity's Revenue	Revenue	% to total Entity's Revenue
India1 Payments Limited	-	-	2228.48	12.97%

54 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per IND AS 8 an entity is required to correct prior period error retrospectivley by restating the comparative amounts for the prior period presented in which the error occured. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earlier prior period presented. Therefore, in terms of provisions of IND AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening balance of retained earnings. However, in current year no such items identified which require such restatement.

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2022
Expenses	
Finance Cost on Recognition of Lease Obligation	-1.56
ROU Amortization- Error in Posting of Investment Property	-0.42
Total Impact on profit/reserve	**-1.98**
Increase/(Decrease) in EPS (in ₹)	**(0.00)**

55 DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Amount required to be spent as per Section 135 of Companies Act, 2013	24.58	16.79
Amount spent during the year on:		
(i) Acquisition / Construction of an Asset	-	-
(ii) on purpose other than (i) above	-	-
*-Direct Contribution to approved CSR Project/Activities /Programmes	25.00	17.50
*-Distribution of Foods/Cloths etc		
Details of Related Party Transactions	-	-

Other Disclosures related to CSR

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year.	-	-
The total of previous years' shortfall amounts	-	-
Nature of CSR Activities undetaken	Donation to approved charitable trusts	Donation to approved charitable trusts

56 CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value . The Company's overall strategy remains unchanged from previous year.The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves. The following table summarizes the capital of the Company:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Share Capital	4287.46	908.36
Free Reserves	1934.12	3245.58
Equity (A)	**6221.58**	**4153.94**
Cash & Cash Equivalents	49.67	185.15
Short Term Investments	-	316.98
Total Cash (B)	**49.67**	**502.13**
Short-term Borrowings	1803.90	94.45
Long-Term Borrowings	616.09	210.61
Total Debt (C)	**2419.99**	**305.06**
Net Debt (D=(C-B))	**2370.32**	**-197.07**
Net Debt to Equity Ratio (E=D/A)	**0.38**	**(0.05)**

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets terms and conditions attached to the interest-bearing loans and borrowings that define capital structure requirements

57 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Income		
Export of Goods / Services	34.12	-
Expenditure		
Purchase of Goods / Services	1828.96	2498.41
Purchase of Capital Goods	-	10.22
Component & Spares	-	-

PROSTARM INFO SYSTEMS LIMITED MUMBAI

58 EMPLOYEE BENEFITS

(₹ in Lakhs)

As per Indian Accounting Standard (Ind AS 19) "Employee benefits", the disclosures as defined are given below:

A. Defined Contribution Plans:

Particualrs	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Employer's Contribution to Provident Fund	50.73	53.92
Employer's Contribution to Employee State Insurance Fund	8.79	13.65

B. Defined Benefit Plans

(I) Gratuity Benefits

1.1 (a) Change in Present Value of Obligation during the Period

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Defined Benefit Obligation, Beginning of Period	**76.14**	**61.90**
Interest Cost	5.52	4.49
Current Service Cost	15.95	16.54
Past Service Cost	-	-
Actual Benefits Paid	-2.13	-
Actuarial (Gains)/Losses	-8.31	-6.78
Defined Benefit Obligation, End of Period	**87.16**	**76.14**

1.1 (b) Bifurcation of total Actuarial (gain) / loss on liabilities

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	-1.71	-1.80
Experience Adjustment (gain)/ loss for Plan liabilities	-6.61	-4.99
Total amount recognized in other comprehensive Income	**-8.31**	**-6.78**

1.2 Key results (The amount to be recognized in the Balance Sheet):

Particulars	As at 31st March, 2023	As at 31st March, 2022
Present Value of Obligation at the end of Period	87.16	76.14
Fair value of plan assets at end of Period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	87.16	76.14
Funded Status - Surplus/ (Deficit)	**-87.16**	**-76.14**

1.3 (a) Expense recognised during the year in the Statement of Profit and Loss

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest Cost	5.52	4.49
Current Service Cost	15.95	16.54
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Total Expense/(Income) included in "Employee benefit Expense"	**21.47**	**21.02**

1.3 (b) Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Amount recognised in OCI, Beginning of period	**-29.98**	**-23.19**
Actuarial (Gains)/Losses - Obligation	-8.31	-6.78
Actuarial (Gains)/Losses - Plan Asset	-	-
Total Actuarial (Gains)/Losses	**-8.31**	**-6.78**
Cumulative total Actuarial (Gains)/Losses - C/F	**-38.29**	**-29.98**

1.3 (c) Net Interest Costs

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest cost on defined benefit Obligatoin	5.52	4.49
Interest income on plan assets	-	-
Net interest cost (Income)	**5.52**	**4.49**

1.4 Experience Adjustment

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Experience Adjustment (Gain) /loss for Plan liabilities	-6.61	-4.99
Experience Adjustment Gain / (loss) for Plan assets	-	-

2.1 Summary of membership data at the date of valuation and statistics based thereon

Particulars	As at 31st March, 2023	As at 31st March, 2022
Number of Employees	200	382
Total monthly Salary (in Lakhs)	39.31	44.84
Average Past Service (Years)	3.8	3
Average Future Service (Years)	21.9	26.5
Average Age (Years)	36.1	33.5
Weighted Average Duration (based onDCFs) in years	18	21
Average Monthly Salary (in Lakhs)	0.20	0.12
Expected Future Service taking into account Decrements (Years)	15	15

2.2 Actuarial Assumptions

Discount Rate (per annum)	7.50%	7.25%
Salary Escalation rate (per annum)	6%	6%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal Rate (Per annum)	5%	5%

2.3 Benefits Valued

Normal Retirement Age	60 Years	60 Years
Salary	Last Drawn Qualifying Salary	Last Drawn Qualifying Salary
Vesting Period	5 Years of Service	5 Years of Service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr).	15/26 * Salary * Past Service (yr).
Benefits on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	20.00	20.00

2.4 Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Liability (Short Term)	10.26	6.37
Non Current Liability (Long Term)	76.90	69.77
Liability/(Asset) recognised in the Balance Sheet	**87.16**	**76.14**

2.5 Effect of plan on entity's future cash flows

(a): Funding arrangements and funding policy - NOT APPLICABLE

(b): Expected contribution during the next annual reporting period

Company's best estimate of Contribution during next year	**19.42**	**21.79**

(c): Maturity profile of defined benefit obligation: Weighted Average

Weighted average duration (based on DCFs) in years	**18**	**21**

(d): Maturity Profile of Defined Benefit Obligation: Weight Average

01 Apr 2023 to 31 Mar 2024	10.26
01 Apr 2024 to 31 Mar 2025	1.38
01 Apr 2025 to 31 Mar 2026	1.52
01 Apr 2026 to 31 Mar 2027	1.69
01 Apr 2027 to 31 Mar 2028	1.52
01 Apr 2028 Onwards	70.71

2.6 Projection for next period:

Best estimate for contribution during next period	**19.42**	**21.79**

2.7 Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Particulars	As at 31st March, 2023
Defined Benefit Obligation (Base)	₹87.16 Lakhs@Salary Increase Rate:6% & discour
Liability with x% Increase in Discount Rate	₹ 79.45 Lakhs;x=1.00% [Change (9)%]
Liability with x% decrease in Discount Rate	₹ 96.21 Lakhs;x=1% [Change 10%]
Liability with x% increase in Salary Growth Rate	₹ 96.26 Lakhs;x=1% [Change 10%]
Liability with x% decrease in Salary Growth Rate	₹ 79.28 Lakhs;x=1% [Change (9)%]
Liability with x% increase in withdrawal Rate	₹ 87.68 Lakhs;x=1.00% [Change 1%]
Liability with x% decrease in withdrawal Rate	₹ 86.51 Lakhs;x=1.00% [Change (1)%]

2.8 Reconcilliation of amounts in Balance Sheet

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Opening Balance Sheet (Asset)/Liability	76.14	61.90
Total Expense/(Income) recognised in P&L	21.47	21.02
OCI- Actuarial (gain)/ loss-Total current period	-8.31	-6.78
Benefits Paid (if any)	-2.13	-
Closing gross defined benefit liability/ (asset)	**87.16**	**76.14**

PROSTARM INFO SYSTEMS LIMITED MUMBAI

3.1 In preparing this report we have heavily relied on the completeness and accuracy of the information, data and assumptions provided to us orally and in writing by or on behalf of the Company and its advisors. We have not completed any detailed validation checks/investigation on the information, data and assumptions provided, however preliminary broad consistency is viewed in respect of data. As compared to previous valuation assumptions, changes, if any, may be due to change in yield to government bonds/change in entity's long term views for future.

3.2 This report is based on going concern basis and as per requirements of Accounting Standard mentioned above and its application to the Plan. These results should not be used for any other purpose. In particular this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels and hence results will not hold good incase company is closed or mass attrition. This report is provided solely for the company use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or provided to any third whatsoever is accepted by me for any consequences arising from any third party relying on this report or any advice relating to its contents. In any case, irrespective of vendor agreement etc. liability of undersigned towards entity or anyone is strictly limited to the billed amount for this report. The Company may provide copy of this Report to its auditors along with rules of the plan, but I make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the company or its auditors in this regard. The company should draw them provisions of this paragraph to the attention of its auditors.

4.1 Principal assumptions are discount rate and salary increase. The discount rate is based upon the yield on govt bonds and the salary increase should take account inflation, seniority, promotion and other relevant factors. However no explicit allowance is used for disability. As per Accounting Standard, selection ofappropriate assumption is responsibility of the entity. Though entity has been advised on the suitability wherever applicable, the report is based on assumptions finalized by the entity (after considering long term view entity might have considered these assumptions prudent).

Risk Factors: Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability/expenses and OCI if any.

4.2 Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table. Rates at specimen ages are tabulated below:

Age (Years)	Rates
20	0.000924
25	0.000931
30	0.000977
35	0.001202
40	0.00168
45	0.002579
50	0.004436
55	0.007513
60	0.011162

5. Projected Unit Credit (PUC) Method: is used to assess the plan liabilities, including those related to death-inservice and incapacity benefits. Under this method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plans accrual formula and service as of the beginning or end of the year, but using final compensation, projected to the age at which the employee is assumed to exit. The plan liability is actuarial present value of the projected accrued benefits as on date of valuation.

PROSTARM INFO SYSTEMS LIMITED MUMBAI

PROSTARM INFO SYSTEMS LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

59 FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a orderly transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.

Accordingly, fair value of such instruments is not materially different from their carrying amounts. The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Fair value measurement hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

(₹ in Lakhs)

Particulars	Level	Carrying Values		Fair Values	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Financial Assets					
At Amortised Cost					
Trade Receivables		6704.77	3477.20	6704.77	3477.20
Cash & Bank Balances		58.33	185.15	58.33	185.15
Other Financial Assets		2007.82	1139.37	2007.82	1139.37
At FVPTL					
Investment in Subsidiaries	Level 3	345.78	345.78	345.78	345.78
Other Unquoted Equity Instruments	Level 3	-	-	-	-
Other Investments	Level 3	0.15	317.13	0.15	317.13
Loans	Level 3	40.15	26.71	40.15	26.71
Other Financial Assets	Level 3	-	-	-	-
Financial Liabilities					
At Amortised Cost					
Borrowings		2419.99	305.06	2419.99	305.06
Other Financial Liabilities		23.94	156.24	23.94	156.24
Trade Payables		5379.00	4543.75	5379.00	4543.75
At FVPTL					
Other Financial Liabilities	-	-	-	-	-

PROSTARM INFO SYSTEMS LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

60 PENDING REGISTRATION OR MODIFICATION OR SATISFACTION OF CHARGE WHICH REQUIRED TO BE FILED WITH ROC

There are following pending registration or modification or satisfaction of Charge at the end of reporting periods, which required to filed with Registrar of Companies:

As at 31st March, 2023 (₹ in Lakhs)

Lander Name	Sanction Date	Sanction Amount	Type of Loan	Security	Pending 'Charge Type'
Axis Bank Limited	16-03-2022	14.61	Vehicle Loan	Vehicle	Registration
BMW Financial Services Limited	30-03-2022	50.75	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	09-05-2022	8.20	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	09-05-2022	8.45	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	09-05-2022	8.45	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	09-05-2022	8.45	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	30-11-2022	19.99	Vehicle Loan	Vehicle	Registration
ICICI Bank Limited[1]	28-09-2022	17.40	Vehicle Loan	Vehicle	Registration

Note-1: ICICI Bank Limited has given clarification that as bank has created hypothecation on the registration copy of the vehicles and hence did not insist to register the charge with the Registrar of Companies on the vehicle hypothecated with it through Registration Certificate Copy.

As at 31st March, 2022 (₹ in Lakhs)

Lander Name	Sanction Date	Sanction Amount	Type of Loan	Security	Pending 'Charge Type'
Axis Bank Limited	16-03-2022	14.61	Vehicle Loan	Vehicle	Registration
BMW Financial Services Limited	30-03-2022	50.75	Vehicle Loan	Vehicle	Registration

61 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements.

The Board of directors recommended in its meeting held as on 11th March, 2023 following :
1. Increase the authorised share capital from existing Rs. 5,500 Lakhs divided into 5,50,00,000 equity shares of Rs. 10 each to Rs. 6,100 Lakhs divided into 6,10,00,000 equity shares of Rs. 10 each.
The shareholders of the Company approved above recommendation in its Extra Ordinarily General Meeting, dated 6th April, 2023.

PROSTARM INFO SYSTEMS LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

62 OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency

(iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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.

(iv) The Company has 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

(v) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period 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).

(vi) The Company is in compliance with number of layers of companies, as prescribed under clause (87)of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vii) The Company has not revalued its Property, Plant and Equipment and ROU Assets during the year, hence, regulatory information disclosure is not applicable for the Company.

(viii) The Company has not revalued its Intangible Assets during the year, hence, regulatory information disclosure is not applicable for the Company.

(ix) Additional Regulatory Information pursuant to amendment in Schedule III of the Companies Act, 2013 dated 24.03.2021 has been given to the extent applicable to the Company.

(x) The Company does not have any relationship/transaction with Struckoff Companies and has not entered into any transactions with struckoff companies in the current and previous reporting period.

(xi) The Company is not declared as a willful defaulter by any bank or financial institution or other lender during the any reporting period.

63 For the Financial Year 2019-20 and for subsequent period, the Company has after evaluation, decided to adopt the option permitted under section 115BAA of Income Tax Act, 1961 (as introduced by the Taxation Laws (Amendment) Ordinance 2019) of the lower effective corporate tax rate of 25.17% (including surcharge and cess) instead of the earlier rate of 33.38% (including surcharge and cess)(30%+7%+4%). Accordingly, the Company has recognized the Provision for Income Tax for the financial year ended 31st March 2020 and subsequent period based on the rates prescribed in the aforesaid section and subsequent period based on the rates prescribed in the aforesaid section.

64 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

65 MISCELLANEOUS:

(i) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.

(ii) Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof.

(iii) Absolute amounts less than Rs.500 are appearing in the Financial Statements as "0.00" due to presentation is Lakhs.

Report on Audit of Consolidated Financial Statements : 2022-23

PROSTARM

Power Redefined



ProstarM Info Systems Limited

Navi Mumbai

Audited By

Mansaka Ravi & Associates

Chartered Accountants

Nerul, Navi Mumbai

+91 98297 53254

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INDEPENDENT AUDITOR'S REPORT

To

The Members of
PROSTARM INFO SYSTEMS LIMITED,
NAVI MUMBAI (MH)

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **PROSTARM INFO SYSTEMS LIMITED** (*"the Parent Company"*) and its subsidiary (the Parent Company and its subsidiary together referred to as "Group") which comprise the **Consolidated Balance Sheet as at March 31, 2023**, 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 for the **year then ended March 31, 2023** and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group **as at March 31, 2023**, the consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated 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 specified under section 143(10) of the Act (SAs). 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 audit 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 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. We have determined the matters described below to be the key audit matters to be communicated in our report.



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Key Audit Matter	Auditor's Response
Allowance for Credit Losses: The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Group exercises significant judgment in calculating the expected credit losses and actual bad debts	**Principal Audit Procedure:** Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among other: I Evaluated the accounting policy of the Group. I I Inquired with Board of Directors regarding status of collectability of the receivables. I I Completeness and accuracy of information used in the estimation of probability of default I I Discussion of material outstanding balances with the Audit Committee : I Assessed the information/assumptinns used by the Management to determine the expected credit losses by considering credit risk of the customers, cash collection, and the level of credit loss over time Based on our work as stated above, no significant deviations were observed in respect of management s assessment of valuation of trade receivables.
Inventories: Inventories (INR 4168.72 Lacs) constitute 36.68% of the current assets of the Group as at 31st March 2023. The Inventory is lying at various locations. The inventory is valued at the lower of cost and net realizable value We considered the value of the inventory of as a key audit matter given the relative size of the balance in the Consolidated financial statements.	• Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations. • Sample testing of management physical verification report. • We observe the physical verification process at locations of financial significance • Assess the appropriateness and completeness of the related disclosure in the Group's Consolidated Financial Statements. • We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory. • Assessing the appropriateness of Group's accounting policy for valuation of stock-in trade

	and compliance of the policy with the requirements of the prevailing accounting standards. • We considered various factors including the actual selling price prevailing around and subsequent to the year-end Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value For the purpose of determination of cost, the Group has considered the prevailing market situation. • Based on the above procedures performed, the management's determination of the net realizable value of the inventory as at the year end and comparison with cost for valuation of inventory is considered to be reasonable. Conclusion: Our procedures did not identify any material exceptions.

Information other than the Consolidated Financial Statements and Auditors' Report thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Consolidated financial statements and 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 during the course of our audit or otherwise appears to be materially misstated

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial

position, financial performance including other comprehensive income, changes in equity and 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 also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Parent Company, as aforesaid.

In preparing the Consolidated Financial Statements respective board of directors of the companies included in the Group are responsible for assessing the respective entity'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 Board of Directors of the Parent Company either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the audit of 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 Standards of Auditing (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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company and its Subsidiary Company which are companies incorporated in India, 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 Group'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 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 within the Group to express an opinion on the consolidated financial statements

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the paragraph 3(xxi) of Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order, 2020 reports of the companies included in the consolidated financial statements as mentioned in other matters paragraph above.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements.

b) In our opinion, proper books of account as required by law have been kept by the respective Companies of the Group 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 and Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account

d) In our opinion, the aforesaid Consolidated 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 written representations received from the directors of the Parent Company as on **March 31, 2023** and taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Parent Company and its subsidiary is disqualified as on **March 31, 2023** from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls of the Parent Company and its subsidiary and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on statutory audit report of the subsidiary, the remuneration paid by the Parent Company and its subsidiary to its directors during the year is in accordance with the provisions of section 197 of the Act

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i The Group has disclosed the impact of pending litigations on its consolidated financial position in its Consolidated financial statements.

ii The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

iv. a) The management of the Parent Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and other auditors of such subsidiaries respectively 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 Parent Company and any of such subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The respective management of the Parent Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Parent Company and any of such subsidiary from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner



Mansaka Ravi & Associates
Chartered Accountants
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whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.

v. The Group is not declared or paid any dividend during the year and has not proposed final dividend during the year.

vi Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 23410816BGWKXM2870
Place: Navi Mumbai
Date: 10th July, 2023

Mansaka Ravi & Associates
Chartered Accountants
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Annexure "A" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of the Prostarm Info Systems Limited

Report on the Internal Financial Controls over Financial Reporting under Clause (I) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the Parent Company as of and for the year ended **March 31, 2023**, we have audited the internal financial controls over financial reporting of Prostarm Info Systems Limited ("the Parent Company") and its subsidiary (together referred to as the "Group"; whose audit reports have been provided to us and which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Group which are companies incorporated in India, responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 the respective companies policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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 the 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. 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 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 Parent Company's and its subsidiary's internal financial controls system over financial reporting.

Mansaka Ravi & Associates
Chartered Accountants
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Meaning of Internal Financial Controls over Financial Reporting

A Parent Company's and its subsidiary'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 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 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 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 and in consideration of the statutory audit report of its subsidiary, to the best of our information and according to the explanations given to us, the Parent Company and its subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2023**, based on the internal control over financial reporting criteria established by the respective companies 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 Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 23410816BGWKXM2870
Place: Navi Mumbai
Date: 10th July, 2023

PROSTARM INFO SYSTEMS LIMITED
Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Mumbai City, MH - 400701
Email: sales@Prostarm.com, Website: www.Prostarm.com. Tel: +91 22 49856522/26
CIN: U31900MH2008PLC368540

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2023

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5	407.67	260.11
(b) Capital Work-in-Progress	6	897.31	-
(c) Investment Property	7	265.42	247.82
(d) Intangible Assets	8	249.03	268.53
(e) Intangible Assets under Development		-	-
(f) Right-of-Use Assets	9	39.78	40.19
(g) Financial Assets			
(i) Trade Receivables	10	357.44	377.18
(ii) Investments	11	0.25	0.25
(iii) Loans		-	-
(e)Other financial assets	12	1805.75	956.70
(h) Deferred Tax Assets (Net)	41	144.82	83.01
(i) Other non-current assets	13	11.00	0.00
Total Non-Current Assets		4173.46	2178.79
Current Assets			
(a) Inventories	14	4168.72	3167.35
(b) Financial Assets			
(i) Investments	15	-	316.98
(ii) Trade receivables	16	6320.29	3162.64
(iii) Cash and cash equivalents	17	77.04	199.23
(iv) Bank balances other than (iii) above	18	8.66	0.00
(v) Loans	19	40.15	26.71
(vi) Others current financial assets	20	171.96	155.96
(c) Current Tax Asset (Net)	30B	1.49	15.10
(d) Other Current Assets	21	576.89	560.98
Total Current Assets		11365.20	7628.86
Total Assets		15538.67	9806.65
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	22	4287.46	908.36
(b) Other Equity	23	1813.21	3191.18
Equity attributable to owners of the Parent Company		6100.67	4099.54
Non-Controlling Interest		216.06	279.96
Total Equity		6316.73	4379.51

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	671.09	210.61
(ia) Lease Liabilities	31	5.72	13.56
(ii) Other financial liabilities		-	-
(b) Provisions	25	96.30	70.68
(c) Other Non-Current Liabilities		-	-
Total Non-Current Liabilities		773.11	292.85
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	1803.90	94.45
(ia) Lease Liabilities	31	5.81	6.09
(ii) Trade payables		-	-
(a) total outstanding dues of micro enterprises and small enterprises; and	27	792.50	32.77
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	27	5187.92	4229.01
(iii) Other Financial Liabilities	28	85.16	149.30
(b) Other Current Liabilities	29	379.46	311.27
(c) Provisions	25	44.45	11.62
(d) Current Tax Liabilities (Net)	30A	149.64	-
Total Current Liabilities		8448.83	5134.49
Total Equity and Liabilities		15538.67	9806.85

The accompanying Notes 1 to 62 form an integral part of the Financial Statements.
As per our seperate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 23410816BGWKXM2870

Place : Navi Mumbai
Dated . 10th July, 2023

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

(Vikas Agarwal)
Whole Time Director
DIN.- 01940262

(Tarun Ghosh)
Chairman & Managing Director
DIN:- 01219231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ3591L

(Prashant Patankar)
Company Secretary
M. No. 70121

PROSTARM INFO SYSTEMS LIMITED
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CIN: U31900MH2003PLC368540

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(₹ in Lakhs)

Particulars		Notes	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
I	Revenue from operations	32	23016.32	17130.73
II.	Other Income	33	198.32	74.04
III.	**Total Income (I+II)**		**23234.65**	**17204.77**
IV.	**Expenses:**			
	Cost of Material Consumed	34	1440.58	86.01
	Purchase of Stock-in-Trade	35	15027.12	14065.64
	Changes in inventories of finished goods, work in progress and stock-in-trade	36	626.14	1220.61
	Employee benefit expenses	37	1699.42	1770.57
	Finance Costs	38	157.09	87.29
	Depreciation and amortization expenses	39	164.80	94.10
	Other Expenses	40	1952.95	1329.64
IV	**Total Expenses**		**20615.82**	**15707.65**
V.	**Profit before exceptional and extraordinary items and tax (III - IV)**		**2618.83**	**1497.12**
VI.	Exceptional Items		-	-
VII.	**Profit before extraordinary items and tax (V - VI)**		**2618.83**	**1497.12**
VIII.	Extraordinary Items		-	-
IX	**Profit Before Taxes (VII-VIII)**		**2618.83**	**1497.12**
X	**Tax expense:**			
	(1) Current tax	41	748.27	427.64
	(2) Tax of Earlier Years	41	3.78	5.85
	(3) Deferred Tax	41	-61.99	-21.35
XI	**Profit/(Loss) for the period (IX-X)**		**1930.77**	**1084.98**
	Attributable to:			
	Owners of the Parent Company		**1994.79**	**1137.23**
	Non-controlling interest		-64.02	-52.26

Particulars	Notes	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
XII. **Other Comprehensive Income**			
(i) Items that will not be reclassified to profit or loss		-	-
Fair value gain/loss on investments		-	-
Remeasurement gain/loss on defined benefit obligation	55	8.62	6.78
(ii) Income tax relating to items that will not be reclassified to profit or loss	41	-2.17	-1.71
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income (XII)		6.45	5.08
Attributable to:			
Owners of the Parent Company		6.34	5.08
Non-Controlling Interests		0.11	0.00
XIII. **Total Comprehensive Income for the period (XI+XII)**		1937.22	1090.05
Attributable to:			
Owners of the Parent Company		2001.13	1142.31
Non-Controlling Interests		-63.91	-52.26
XIV. **Earning per equity share:**			
(1) Basic (In ₹)	42	4.65	2.65
(2) Diluted (In ₹)	43	4.65	2.65

The accompanying Notes 1 to 62 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 0150230

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 23410816BGWKXM2878

Place : Navi Mumbai
Dated : 10th July, 2023

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

(Vikas Agarwal)	(Tapan Ghose)
Whole Time Director	Chairman & Managing Director
DIN:- 01940262	DIN:- 01710231

(Ram Agarwal)	(Abhishek Jain)	(Prashant Patankar)
Whole Time Director & CEO	Chief Financial Officer	Company Secretary
DIN:- 01739245	PAN-ACJPJ8591L	M. No. 70121

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CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
A Cash Flow From Operating Activities		
Net Profit / (Loss) Before Tax	**2618.83**	**1497.12**
Adjustments For :		
Depreciation and Amortization Expense	164.80	94.10
Interest Income	-55.72	-35.68
Interest Expenses	107.50	15.75
Interest on Leased Liabilities	1.08	1.56
Profit on Sale of Investments	-4.34	-7.72
Provision for Warranty	42.77	-
Profit on sale of Property,plant & equipment (PPE)	-0.52	-21.25
Remeasurement of Defined benefit plan	25.66	2.55
Operating Profit Before Working Capital Changes	**2898.29**	**1566.34**
Adjustments For :		
Decrease/(Increase) in other financial assets	-865.05	627.28
Decrease/(Increase) in other assets	9.70	-103.84
Decrease/(Increase) in Loans	-13.44	-17.25
Decrease/(Increase) in Inventories	-1001.37	-401.04
Decrease/(Increase) in trade receivables	-3182.91	872.41
Decrease/(Increase) in bank balance	-8.66	306.87
(Decrease)/Increase in Trade payables	1218.60	964.11
(Decrease)/Increase in other financial liabilities	-64.14	85.97
(Decrease)/Increase in other liabilities	268.20	21.60
Lease Rental Payments	-7.20	-7.74
Retirement Benefits Paid (Out of Provisions)	2.13	-
Increase/Decrease in Provisions	9.55	2.25
Cash Generated From Operations	**-747.51**	**955.70**
Less: Direct Taxes Paid net of refund (including TDS)	602.41	540.31
Net Cash Flow From Operating Activities	**-1349.91**	**415.39**
B Cash Flow From Investing Activities		
Addition in Property, Plant & Equipment (PPE)	-1173.22	248.61
Addition in Intangible Assets	-15.63	-298.60
Addition / Deletion in Investment Properties	-28.78	-64.00
Proceeds from Sale of PPE	5.80	
Interest Income	55.72	35.68
Purchase of Investments	-554.97	4003.00
Proceeds from Sale of Investments	876.29	4953.24
Investment of Shares of Subsidiary	-	-0.10
Net Cash (Used) In/From Investing Activities	**-834.80**	**-896.28**
C Cash Flow From Financing Activities		
(Decrease)/Increase in Non Current Borrowings	450.43	168.43
(Decrease)/Increase in Current Borrowings	1749.45	87.63
NCI Portion of Share Capital in Subsidiary	0.00	332.22
Interest paid on Borrowings	-107.52	-15.76
Net Cash (Used) In/From Financing Activities	**2062.42**	**572.52**

Manesia Ravi & Associates Chartered Accountants Mumbai

PROSTARM INFO SYSTEMS LIMITED MUMBAI

Particulars		For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
D	Net Change in Cash & Cash Equivalents(A+B+C)	-122.29	101.62
E	Cash & Cash Equivalents at beginning of the year	199.33	97.71
F	Cash & Cash Equivalents at end of the year	77.04	199.33

Components of Cash & Cash Equivalents	As at 31st March, 2023	As at 31st March, 2022
Cash on Hand	18.21	7.93
Balance with Banks in Current Accounts	58.83	191.40
Cheques, Drafts on Hand	-	-

Reconciliation of Liabilities arising from Financing Activities - For period April 22 - March 23

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (inc. current)	303.30	507.44	0.67	811.41
Short-term Borrowings Secured	-	1607.21	-	1607.21
Short-term Borrowings Unsecured	1.77	-0.40	-	1.37
Total financial liabilities	**305.06**	**2114.26**	**0.67**	**2419.99**

Reconciliation of Liabilities arising from Financing Activities - For period April 21 - March 22

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (inc. current)	48.11	253.21	1.97	303.30
Short-term Borrowings Secured	-	-	-	-
Short-term Borrowings Unsecured	0.89	0.88	-	1.77
Total financial liabilities	**49.00**	**254.09**	**1.97**	**305.06**

Note:1 The Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".

Note-2: Previous Year's figures have been recasted/regrouped, wherever necessary, to conform to the current year's figures.

The accompanying Notes 1 to 62 form an integral part of the Financial Statements.
As per our separate report of even date attached

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410416
UDIN: 23410416BGNKXM2870

Place : Navi Mumbai
Dated : 10th July, 2023

(Vikas Agarwal)
Whole Time Director
DIN:- 01940262

(Tapan Ghose)
Chairman & Managing Director
DIN:- 01719231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01735245

(Abhishek Jain)
Chief Financial Officer
PAN-ACJPJ8591L

(Prashant Patankar)
Company Secretary
M. No. 28121

PROSTARM INFO SYSTEMS LIMITED
Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Mumbai City, MH - 400701
Email: sales@Prostarm.com, Website: www.Prostarm.com, Tel: +91 22 49856522/26
CIN. U31900MH2008PLC368540

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

A. Equity Share Capital

(₹ in Lakhs)

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
908.36	-	908.36	3379.10	4287.46

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
908.36	-	908.36	-	908.36

B Other Equity

(₹ in Lakhs)

(1) Current reporting period

Particulars	Attributable to Equity Shareholders of the Parent Company				Non-Controlling Interest	Total
	Reserves & Surpluses		Other Comprehensive	Total Other Equity		
	Security Premium	Retained Earnings				
Balance at the beginning of the current reporting period	-	3168.75	22.43	3191.18	279.96	3471.15
Changes in accounting policy or prior period errors	-	-		-	-	-
Restated balance at the beginning of the current reporting period	-	3168.75	22.43	3191.18	279.96	3471.15
Total Comprehensive Income for the year	-	1904.79	6.34	2081.13	-63.91	1937.22
Dividends	-	-		-	-	-
Transfer to retained earnings	-	-		-	-	-
Capitalization by Issue of Bonus Shares	-	-3379.10		-3379.10	-	-3379.10
Balance at the end of the current reporting period	-	1784.44	28.77	1813.21	216.06	2029.27

Mumbai

(2) Previous reporting period

Particulars	Attributable to Equity Shareholders of the Parent Company				Non-Controlling Interest	Total
	Reserves & Surpluses		Other Comprehensive Income	Total Other Equity		
	Security Premium	Retained Earnings				
Balance at the beginning of the current reporting period	-	2031.52	17.36	2048.87	-	2048.87
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	2031.52	17.36	2048.87	-	2048.87
Total Comprehensive Income for the current year		1137.23	5.08	1142.31	-52.26	1090.05
NCI Portion on investment in Subsidiary					332.22	332.22
Dividends	-	-	-	-		-
Transfer to retained earnings	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-
Balance at the end of the current reporting period	-	3168.75	22.43	3191.18	279.96	3471.15

The accompanying Notes 1 to 62 form an integral part of the Financial Statements
As per our separate report of even date attached

For and on behalf of the Board of Directors of Prostarm Info Systems Limited

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN- 23410816BGWKXM2870

Place : Navi Mumbai
Dated : 14th July, 2023

(Vikas Agarwal)
Whole Time Director
DIN:- 01940262

(Tapan Ghose)
Chairman & Managing Director
DIN:- 01719231

(Ram Agarwal)
Whole Time Director & CEO
DIN:- 01739245

(Abhishek Jain)
Chief Financial Officer
PAN-AOJPJ8391L

(Prashant Patankar)
Company Secretary
M. No. 70121

1. (a) COMPANY OVERVIEW

PROSTARM INFO SYSTEMS LIMITED (erstwhile Prostar Micronova Power Systems Pvt Ltd), ("the Company" or "Parent Company"), conceptualized and promoted by a group of entrepreneurs having varied experience in the field of Power Electronics, got incorporated on 11th January 2008 with the primary objective to provide power back up and power conditioning solutions to critical loads like ATMs, Banks, Financial Services & Insurance institutions, Corporates, Academic Institutes, Hospitals/ Diagnostic centres, Railways, Engineering, Oil & Gas, Power, Airport, Defense and other companies in PSU and private sector.

Prostarm Info Systems Limited, over the span of 1.5 decades, have graduated into a multifaceted entity specializing in providing total solutions & services related to Power back-up and Power Conditioning products. The company currently deals in Uninterrupted Power Supply (UPS) Systems, Solar PV Power Plants, Batteries, lithium-ion battery packs, Servo Controlled Voltage Stabilizers, Solar Hybrid Inverter & other related power conditioning equipment. The Company expanded its manufacturing capabilities in Pune, including the manufacturing facility of its subsidiary during the financial year 2022-23.

The company has its registered office located at Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Mumbai City, MH – 400710

The Consolidated financial statements for the year ended March 31, 2023 were authorized and approved for issue by the Board of Directors on 10th July, 2023.

1 (b) GROUP INFORMATION

Information about subsidiaries

The Consolidated Financial Statements of the Group includes subsidiaries listed in the table below

Name of Company (Nature of Business)	CIN No.	Country of Incor-poration	Ownership interest as on March 31, 2023	Ownership interest as on March 31, 2022
Prostarm Energy Systems Private Limited (Manufacturer of Customized Power Electronic Solutions)	U29308PN2021-PTC202708	India	51%	51%

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

a. Basis of Preparation of Financial Statements

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

a) Certain Financial Assets and Liabilities (including derivative instruments), if any,

b) Defined Benefit Plans – Plan Assets, if any and

c) Equity settled Share Based Payments, if any

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

b. Basis of Measurement

The Consolidated Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

c. Basis of consolidation

i) Subsidiaries

The consolidated financial statements include Prostarm Info Systems Limited and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power over the investee. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable are taken into account. The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying

amount of non-controlling interests is the amount of those interests at initial recognition plus the non controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance. Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind-AS 109 Financial Instruments Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

ii) Associates

Associates are those entities in which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control those policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity. The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting as described below.

iii) Equity method of accounting (equity accounted investees)

An interest in an associate or joint venture is accounted for using the equity method from the date in which the investee becomes an associate or a joint venture and are recognised initially at cost. The Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Company's share of profits or losses and equity movements of equity accounted investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture.

iv) **Business combination**

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standard

d. Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

e. **Current v/s Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets

An asset is classified as current when it satisfies any of the following criteria.

a. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c it is due to be settled within 12 months after the reporting date, or

d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group considers its operating cycle to be within one year

f. Functional and Presentation Currency

These Consolidated Financial Statements are prepared in Indian Rupee ("₹") which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals, except when otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

The Group has applied following accounting policies to all periods presented in the Consolidated Financial Statement.

a) Property, Plant and Equipment [PPE]

(i) Definition

Property, plant and equipment are tangible items that:

(A) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

(B) are expected to be used during more than one period.

(ii) Recognition & Initial Measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

(iii) Subsequent Measurement (depreciation and useful lives)

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met When significant parts of plant and equipment are required to be

replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013.

Building	60 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Electrical Installation and Equipment	8 years
Office Equipment	5 years
Computers	3 years
Vehicles	8 years

Depreciation on PPE sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such PPE are sold, discarded or demolished

Leasehold land & building and improvements are amortized on the basis of duration and other terms of lease.

When parts of an item of Property, Plant and Equipment have different useful life, they are accounted for as separate items (Major components) and are depreciated over the useful life respectively.

Right-of-use Assets (Land & Building under operating Lease) is amortised on a straight-line basis over the period of respective lease term.

The residual values, useful lives and methods of depreciation of PPE are reviewed at the end of each financial year considering the physical condition of the PPE and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalised. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

(iv) **De-recognition**

PPE are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

b) Capital Work-in-Progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

c) Intangible Assets

(i) **Recognition and initial measurement**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

(ii) **Subsequent Measurement & Amortization**

The useful lives of intangible assets are assessed as either finite or indefinite. The Group currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

(iii) **De-recognition**

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

d) Investment Properties

(i) **Recognition and initial measurement**

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

(ii) Subsequent Measurement & Amortization

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any, subsequently. Depreciation is provided from the date the assets are put to use, on written down value method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013

Building	60 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Electrical Installation and Equipments	8 years
Office Equipments	5 years
Computers	3 years
Vehicles	8 years

Depreciation on Investment Properties sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such Investment Properties are sold, discarded or demolished.

Leasehold land & Building and improvements are amortised on the basis of duration and other terms of lease.

The residual values, useful lives and methods of depreciation of Investment Properties are reviewed at the end of each financial year considering the physical condition of the Investment Properties and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

(iii) De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

e) Revenue Recognition

(i) Revenue from contract with customer is recognised, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services.

(ii) Group generally follows mercantile system of accounting and recognizes significant items of incomes on accrual basis. The revenues have been duly recognized in accordance with the provisions of Indian Accounting Standards - 115. However, some of expenditures are accounted for on the receipt of bill or invoice of the same which are not material.

(iii) Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing service tax, Goods & Service Tax (GST) and other applicable indirect taxes.

(iv) Service tax / Goods & Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the services by the service provider on behalf of the Government. Accordingly, it is excluded from revenue.

(v) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the Group and the revenue can be reliably measured with reliable certainty of realizing the consideration.

(vi) Unbilled income represents the value of services rendered but not yet been invoiced on the reporting date due to contractual terms.

f) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Interest is accounted on accrual basis on overdue receivables.

g) Dividend Income

Dividend income is recognized when the right to receive dividend is established.

h) Leases

On March 30, 2019, ministry of corporate affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

On completion of evaluation of the effect of adoption of Ind AS 116, the Group is using the 'Modified Retrospective Approach' for transitioning to Ind AS 116 and took the cumulative adjustment to retained earnings on the date of initial application (April 1, 2019). The Group as elected certain available practical expedients on transition

The Group has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

(i) Group as a lessee

The Group's lease asset classes primarily consist of leases for land and building. The Group, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contract existing and entered into on or after April 1, 2019. The Group has elected not to recognise Right-of-use Assets and lease liabilities for: short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

The Group recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. In the comparative period, lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss over the lease term.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8% p.a.

(ii) Group as a lessor

Assets given under operating leases are included in investment properties. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and need to be measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight-line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

I) Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, cash in hand and short-term deposits, as defined above.

j) Taxation

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Sales Tax/ GST / VAT

Sales/ value added taxes paid on acquisition of assets or on incurring expenses are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet

k) Inventories

Finished Goods-

Finished goods are valued at lower of cost or net realisable value. Cost includes direct materials and labour and a portion of manufacturing overhead based on normal operating capacity.Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Finished Goods are measured at First In First Out basis.

Raw Materials, WIP and Stores & Spares-

Raw materials, components, stores and spares and work-in progress are valued at cost. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components, stores and spares is determined on FIFO basis. Cost of Work in Progress is measured at First In First Out Basis.

Capital spares that qualifies the criteria of property, plant and equipment are recognised as PPE. Accordingly, the Group has capitalized spares having useful life of more than 12 months and corresponding depreciation is charged on them."

Stock-in-Trade

Inventories being stock-in-trade are valued at the lower of cost and net realisable value.

Cost of these inventories are determined on First In First Out basis

l) Employee Benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of rece-ving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(ii) Post-employment benefits -

(a) Defined benefit plans – Gratuity

The Group has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and number of years of employment with Group. Presently the Group's gratuity plan is unfunded

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 if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

(b) Defined Contribution Plans – Provident Fund & Employee State Insurance

Provident Fund, Pension Fund & Employee State Insurance (ESI) are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust, Regional Provident Fund Commissioner and Employee State Insurance Fund respectively are charged to the Statement of Profit and Loss.

m) Earning Per Share

i) Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

ii) Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

n) Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Group for which the amount or timing is uncertain. Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Provision for Warranty: The Group makes provision for the probable future liability on account of the warranty based on the estimation of the warranty claims/expenses that the Group expects to materialize in the future. The Group assesses the need and quantum of provision for warranty based on conditions prevailing at each year-end.

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

p) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

q) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

r) Impairment of Non-Financial Assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life

s) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

I) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(ii) Subsequent measurement

Subsequent measurement of financial assets is described below -

a. Financial Assets (Debt instruments) at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

b. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI)

However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c. **Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset.

Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

In other words, trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The

allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

- **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.
- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(B) Financial liabilities

(i) Initial Recognition & Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans & borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through statement of profit and loss

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss.

However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through statement of profit and loss.

(ii) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Buyers Credit

The Group enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Group at a later date providing working capital timing benefits. These are normally settled up to twelve months (for raw materials) and up to 36 months (for project materials). Where these arrangements are for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit (under Trade and other payables). Where these arrangements are for project materials with a maturity up to 36 months, the economic substance of the transaction is determined to be financing in nature, and these are classified as projects buyers' credit within borrowings in the statement of financial position.

(iv) Financial liabilities – De-recognition

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

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts

and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. For more information on financial instruments Refer Note No. 56.

u) Investment in Subsidiaries, joint ventures and associates:

Subsidiary: A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.

Associate: Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.

Joint arrangement: A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

v) Foreign currency transactions

(i) Initial Recognition

In the Consolidated financial statements of the Group, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

(ii) Conversion

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

(iii) Exchange Differences

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

w) Dividend Distribution

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

x) Prior Period Items

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

y) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated financial statements are elaborated in Note No. 4.

4A CRITICAL ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting year end. Although these estimates and associated assumptions are based upon historical experiences and various other factors besides management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on a periodic basis. Any revision in the accounting estimates is recognised in the period in which the results are known/ materialise.

Significant judgments and key sources of estimation in applying accounting policies are as follows:

a) Property, plant and equipment and useful life of property, plant and equipment and intangible assets

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

b) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the consolidated financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 44).

c) Employee benefit expenses

Actuarial valuation for gratuity liability of the Group has been done by an independent actuarial valuer on the basis of data provided by the Group and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

d) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has determined that it can recognise deferred tax assets on the tax losses carried forward as it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Further details on taxes are disclosed in Note No. 41.

e) Impairment of accounts receivable and advances

Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses.

f) Discounting of Security deposit, retention money and other long-term liabilities

For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Consolidated financial statements.

g) Amortized Cost for Employee Loans

Employee loans have not been recorded using Effective Interest Rate method due to absence of any material impact on Consolidated financial statements and involvement of practical difficulties.

h) Investment in Equity Instruments

Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date.

i) Restatement of Prior Period Items

Material prior period items, i.e. items having a value of above Rs. 5.00 Lac have been restated in the previous year financials.

4B. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below.

Ind AS 1 – Presentation of Financial Statements:

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes:

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements

that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

In terms of our attached report of even date

For Mansaka Ravi & Associates
Chartered Accountants
Firm Reg. No.: 015023C

(CA Ravi Mansaka)
Partner
Membership No. 410816

UDIN: 23410816BGWKXM2870

Place: Navi Mumbai
Date: 10th July, 2023

For and on behalf of the Board of Directors of
Prostarm Info Systems Limited

Tapan Ghose
Chairman & Managing Director
DIN:01719231

Vikas Agarwal
Whole Time Director
DIN: 01940262

Ram Agarwal
CEO & Whole Time Director
DIN:01739245

Abhishek Jain
Chief Financial Officer
PAN-ACJPJ8591L

Prashant Patanakar
Company Secretary
M. No. 70121

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

5 PROPERTY, PLANT & EQUIPMENT

Refer Note 3(a) for accounting policy on Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	As on 31st Mar, 2023	As on 31st Mar, 2022
Building - Freehold	26.15	33.09	-	59.24	7.72	2.28	-	9.99	49.25	18.43
Plant & Equipments	54.95	78.51	5.59	132.27	4.34	17.18	0.30	21.22	112.05	50.61
Computers	111.26	19.37	-	130.63	58.11	35.47	-	93.58	37.05	53.15
Motor Cars	216.82	82.55	-	299.37	121.04	43.92	-	164.96	134.41	95.78
Furniture & Fixtures	25.17	40.42	-	65.59	8.10	11.74	-	19.84	45.75	17.07
Office Equipments	24.05	19.07	-	43.12	8.38	11.93	-	20.31	22.81	15.67
Electrical Equipment	-	5.51	-	5.51	-	0.56	-	0.56	5.95	-
Total	467.81	275.92	5.59	738.13	207.70	123.07	0.30	330.46	407.67	260.11

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1 April, 2021	Additions	Disposals	Closing as on 31 Mar, 2022	Opening as on 1 April, 2021	Additions	Disposals	Closing as on 31 Mar, 2022	As on 31st Mar, 2022	As on 31st Mar, 2021
Building - Freehold	26.15	-	-	26.15	5.77	0.94	-	7.72	18.43	15.38
Plant & Equipments	1.05	53.91	-	54.95	0.02	4.32	-	4.34	50.61	1.02
Computers	46.60	64.66	-	111.26	33.71	24.40	-	58.11	53.15	12.91
Motor Cars	130.52	86.30	-	216.82	103.09	18.04	-	121.04	95.78	27.52
Furniture & Fixtures	8.72	16.45	-	25.17	4.76	3.34	-	8.10	17.07	1.96
Office Equipments	5.12	17.93	-	24.05	4.10	4.28	-	8.38	15.67	1.02
Electrical Equipment	-	-	-	-	-	-	-	-	-	-
Total	219.20	248.61	-	467.81	152.37	55.33	-	207.70	260.11	66.82

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

6 CAPITAL WORK-IN-PROGRESS (CWIP)

(₹ in Lakhs)

Refer Note 3(b) for accounting policy on Capital Work-in-Progress

(a) Tangible Assets Under Development

Particulars	Land	Building	Total
Balance as at 31st March, 2021	-	-	-
Additions during the Year	-	-	-
Capitalised During the Year	-	-	-
Balance as at 31st March, 2022	-	-	-
Additions during the Year	-	897.31	897.31
Capitalised During the Year	-	-	-
Balance as at 31st March, 2023	-	897.31	897.31

(b) **Capital Work-in-Progress Ageing (Project-in-Progress)**

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Balance as at 31st March, 2021	-	-	-	-	-
Additions during the Year	-	-	-	-	-
Capitalised During the Year	-	-	-	-	-
Balance as at 31st March, 2022	-	-	-	-	-
Additions during the Year	897.31	-	-	-	897.31
Capitalised During the Year	-	-	-	-	-
Balance as at 31st March, 2023	**897.31**	-	-	-	**897.31**

(c) Group does not have any Project which is temporary suspended, therefore, disclosure requirement thereof is not applicable

(d) There are no CWIP assets which become overdue compared to their original plans or where cost is exceeded compared to original plans, therefore disclosure relating thereto is not required.

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

7 INVESTMENT PROPERTY

(₹ in Lakhs)

A. Completed Investment Properties

Refer Note 3(d) for accounting policy on Investment Properties

Particulars	Land Leasehold	Buildings	Total
Gross Block			
Balance as at 31st March, 2021	-	325.03	325.03
Additions		-	-
Disposals	-	42.70	42.70
Balance as at 31st March, 2022	-	285.33	285.33
Additions		-	-
Disposals	-	-	-
Balance as at 31st March, 2023	-	285.33	285.33
Accumulated Depreciation			
Balance as at 31st March, 2021	-	163.21	163.21
Additions	-	7.93	7.93
Disposals	-	14.18	14.18
Balance as at 31st March, 2022	-	156.95	156.95
Additions	-	6.19	6.19
Disposals	-	-	-
Balance as at 31st March, 2023	-	163.14	163.14
Net Block			
Balance as at 31st March, 2022	-	128.38	128.38
Balance as at 31st March, 2023	-	122.19	122.19

B. Under Development Investment Properties

Particulars	Land Freehold	Buildings	Total
Balance as at 31st March, 2021	-	-	-
Additions during the Year	-	114.45	114.45
Capitalised During the Year	-	-	-
Balance as at 31st March, 2022	-	114.45	114.45
Additions During the Year	-	28.78	28.78
Capitalised During the Year	-	-	-
Balance as at 31st March, 2023	-	143.23	143.23

C. Total Investment Properties [A+B]

Balance as at 31st March, 2021	-	164.82	164.82
Balance as at 31st March, 2022	-	242.82	242.82
Balance as at 31st March, 2023	-	265.42	265.42

7.1 Ageing Schedule Investment Properties Under Development

Balance as at 31st March, 2023

Investment Properties Under Development	Amount for a period of			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Flat No 2307, Parkwood, Thane	14.39	57.22	-	-
Flat No 2308, Parkwood, Thane	14.39	57.22	-	-
Total	28.78	114.45	-	-

PROSTARM INFO SYSTEMS LIMITED

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

Investment Properties Under Development	Balance as at 31st March, 2022			
	Amount for a period of			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Flat No. 3307, Parkwood, Thane	57.22	-	-	-
Flat No. 3308, Parkwood, Thane	57.22	-	-	-
Total	114.45	-	-	-

7.2 Amount recognised in Statement of Profit or Loss for investment Properties

Particulars	As at 31st March, 2023	As at 31st March, 2022
Rental Income derived from Investment Properties	5.60	4.38
Less: Direct Operating Expenses (including repairs & maintenance) generating rental income	-	3.68
Less: Direct Operating Expenses (including repairs & maintenance) that did not generate rental income	-	-
Profit arising from Investment Properties before Depreciation	5.60	0.70
Less: Depreciation for the Year	5.19	7.93
Profit/(Loss) arising from Investment Properties	0.41	-7.22

7.3 Leasing Arrangements

Minimum lease payments receivable under non-cancellable operating lease of investments properties are as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Not Later than one Year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
Lease income recognised during the year in profit and loss	5.60	4.38

Note: Group has not entered into any lease agreement with the tenants.

7.4 Fair Values

The Group has not got revalued its investment properties and they are carried at amortized value in the financial statements. The Group has no restrictions on the realisability of its investment properties.

7.5 There are no contractual obligations to purchase, construct or develop investment property except below:

Particulars	As at 31st March, 2023	As at 31st March, 2022
In respect of Purchase of Property (Flat No. 3307 & 3308, Parkwood, Thane):		
Not Later than one Year	76.33	38.78
Later than one year and not later than five years	-	76.33
Later than five years	-	-

7.6 No contingent rent recognised / (adjusted) in the Profit or Loss in respect of operating lease.

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

8 INTANGIBLE ASSETS

(₹ In Lakhs)

Refer Note 3(c) for accounting policy on Intangible Assets

Particulars	Technology	Softwares	Trademark	Total
Gross Carrying Value				
Balance as at 31st March, 2021	-	-	0.19	0.19
Additions	296.13	2.67	-	298.80
Disposals	-	-	-	-
Balance as at 31st March, 2022	296.13	2.67	0.19	298.98
Additions	-	15.63	-	15.63
Disposals	-	-	-	-
Balance as at 31st March, 2023	296.13	18.30	0.19	314.61
	-	-	-	-
Accumulated Amortization	-	-	-	-
Balance as at 31st March, 2021	-	-	0.02	0.02
Additions	29.61	0.79	0.03	30.43
Disposals	-	-	-	-
Balance as at 31st March, 2022	29.61	0.79	0.05	30.45
Additions	29.61	5.50	0.03	35.14
Disposals	-	-	-	-
Balance as at 31st March, 2023	59.23	6.28	0.08	65.58
Net Carrying Value				
Balance as at 31st March, 2022	266.51	1.89	0.13	268.53
Balance as at 31st March, 2023	236.90	12.02	0.11	249.03

9 RIGHT-OF-USE-ASSETS

(₹ in Lakhs)

Refer Note 3(f) for accounting policy on Right-of-Use Assets

Particulars	Amount
Gross Values	
Balance as at 31st March, 2021	41.17
Additions	-
Disposals	-
Balance as at 31st March, 2022	41.17
Additions	-
Disposals	-
Balance as at 31st March, 2023	41.17
Accumulated Amortization	
Balance as at 1st April, 2020	0.15
Additions	0.42
Disposals	-
Balance as at 31st March, 2021	0.57
Additions	0.42
Disposals	-
Balance as at 31st March, 2022	0.98
Additions	0.42
Disposals	-
Balance as at 31st March, 2023	1.40
Net Book Values	
Balance as at 31st March, 2022	40.19
Balance as at 31st March, 2023	39.78

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

10 NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March, 2022
Secured, considered good		
Unsecured, considered good		
Due from Related Parties	-	-
Others	361.13	327.38
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
Allowance for Expected Credit Loss	-8.72	-
Total[12,14]	352.44	327.38

Notes: 1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 45

2. For lien/charge against trade receivables refer Note No. 24 & 26.

3. No non-current trade receivables are due from directors or other officers of the Group either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member

4. For Ageing of Non Current Trade Receivables, refer Note No. 48.2 & 48.4.

11 NON-CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March, 2022
Investments carried at Cost		
Unquoted Investments		
(a) Investment in Equity Instruments	-	-
(b) Investment in Mutual Funds	-	-
Units of ICICI Prudential Liquid Fund	0.10	0.10
(c) Other Non-Current Investments		
Investment in Silver Coins	0.15	0.15
Total	0.25	0.25

Aggregate Values :	As at 31st March, 2023	As at 31st March, 2022
1. Aggregate amount of quoted investments	-	-
2. Aggregate amount of market value of quoted investments	-	-
3. Aggregate amount of unquoted investments	0.25	0.25
4. Aggregate amount of impairment in value of investments	-	-
	Level 3	Level 3
Classification of Investments		
Unquoted Investments	0.25	0.25

Information about Subsidiaries & Associates

Name of the Company & Country of Incorporation	% holding	Principal Activities	Date of Acquisition
Prostarm Energy Systems Private Limited, India	51%	Manufacturing of Customized Power Electronic Solutions	17th July, 2021

Initially in the Year 2021-22 M/s Prostarm Energy Systems Private Limited was incorporated as wholly owned subsidiary of Parent Company. However, later on in the same financial year partial stake of Unicorn Company has been diluted in right issue wherein Mr. Radhakrishnan Nair has become shareholder at 49% and Parent Company become shareholder of 51% shares of the subsidiary

12 OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March 2022
Unsecured, considered good		
Security Deposits	756.81	271.27
Receipt on Money Receivable	44.88	103.81
Bank deposits with more than 12 Months Maturity[1]	1103.06	572.57
Other Loans & Advances	-	9.05
Total	**1905.75**	**956.70**

Note 1 Earmarked Balances with banks primarily consists of margin money against loans and margin money against performance Guarantees obtained by the Group.

13 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Advances against Purchase of Capital Assets	11.00	-
Total	**11.00**	-

14 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Inventories of Stock-in-Trade [1&3]		
Stock-in Trade	2943.11	2514.47
Stock-in Transit	1.49	291.69
Spares & Parts	2.39	40.72
Packing Materials & Other Consumables	3.19	0.63
Raw Material[2,3]	386.66	210.43
Work in Progress[2,3]	236.37	35.30
Finished Goods[2,3]	396.51	54.10
Total Closing Stock	**4168.72**	**3167.35**

Note. 1 Inventory of Stock-in-Trade includes Batteries, UPS and Inverters as a major component of total inventory

Note. 2 Entire inventory of the Parent Company has been hypothecated as security against certain bank borrowings of the Parent Company as at 31st March, 2023 and 31st Mar, 2022. For more details of hypothecation against borrowings refer Note No. 24 & 26.

Note. 3 These inventories are valued at lower of cost or net realisable value

15 CURRENT FINANCIAL ASSET - INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investments carried at Cost		
Unquoted Investments		
(a) Investment in Shares	-	-
(b) Investment in Mutual Funds		
13550.527 Units of Axis Liquid Fund - Regular Growth	-	316.98
Total	-	316.98

Aggregate Values :	As at 31st March, 2023	As at 31st March, 2022
1. Aggregate amount of quoted investments	-	-
2. Aggregate amount of market value of quoted investments	-	-
3. Aggregate amount of unquoted investments	0.00	316.98
4. Aggregate amount of impairment in value of investments	-	-
	Level 3	Level 3
Classification of Investments		
Unquoted Investments	0.00	316.98

10 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured, considered good	-	-
Unsecured, considered good	6321.14	3367.54
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit Impaired	-	-
Allowance for Expected Credit Loss	0.85	-
Total[1,2,3,4]	6320.29	3162.64

Notes: 1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 45

2. For lien/charge against trade receivables refer Note No. 24 & 26.

3. No current trade receivables are due from directors or other officers of the Group either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except as reported in Note No. 40

4. For Ageing of Current Trade Receivables, refer Note No. 48.1 & 48.3

11 CASH & CASH EQUIVALENTS[1]

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance with Banks		
In Current Accounts	58.83	191.40
In Term Deposits with maturity less than 3 months at inception	-	-
Cheques, Drafts on Hand	-	-
Cash on Hand	18.21	7.93
Total	77.04	199.33

Note 1: There are no restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

15 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good:		
Deposits with Banks		
Earmarked balances with banks[1]		
In Term Deposits with maturity more than 3 months but less than 12 months at inception	8.66	0.00
Total	8.66	0.00

Note.1 Earmarked balances with banks primarily consists of margin money against loans and margin money against performance guarantees obtained by the Group

PROSTARM INFOSYSTEMS LIMITED MUMBAI

19 CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Loans and advances to Employees	40.15	26.71
Loans and advances to Directors	-	-
Total	40.15	26.71

20 CURRENT FINANCIAL ASSETS - OTHER

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Term Deposits with remaining maturing less than 12 Months	97.03	86.50
Receivable against GEDA Subsidy	24.56	27.29
Other Advances	0.33	-
Balance With Revenue Authorities	50.05	42.17
Total	171.96	155.96

21 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Prepaid Expenses	17.02	11.36
Balances with Revenue Authorities	457.14	552.61
Advance to Vendors	60.94	17.01
Share Issue Expenditures[1]	45.03	-
Rent Receivable	1.80	-
Total	575.39	580.98

Note 1:- The Parent Company is in the process of filing Draft Red Herring Prospectus with SEBI in connection with the proposed Initial Public Offer("IPO") of equity shares of the Parent Company by way of fresh issue. Accordingly expenses incurred by the Parent Company aggregating to Rs. 45 Lakhs in connection with filing of Draft Red Herring Prospectus have been shown under "Other current assets" as it shall be adjusted towards the securities premium.

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

22 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
ISSUED, SUBSCRIBED & PAID-UP		
4,28,74,592 Equity Shares of Rs. 10 each fully paid up (Previous Year 90,82,600 Equity Shares of Rs. 10/- each)	4287.46	908.26
Total	**4287.46**	**908.26**

22.1 The details of shareholders holding more than 5% of the shares are as follows:

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	Nos.	%	Nos.	%
Mr. Ram Agarwal[1]	1,28,62,378	30.00%	27,25,050	30.00%
Mrs. Parvati Shyamsunder Agarwal	57,08,462	13.31%	12,09,420	13.31%
Mr. Vikas Agarwal	1,41,47,071	33.00%	29,97,252	33.00%
Mrs. Sonu Ram Agarwal[1]	85,74,933	20.00%	18,16,724	20.00%

Note 1-Mr Ram Agarwal and Ms. Sonu Agarwal, holds 1 fully paid-up equity shares of Rs. 10 each as a trustee for the benefit of themself and certain other shareholders of the Company, being the share alloted against fractional entitlement pursuant to Bonus Shares issued vide Board Resolution dated 11th March, 2023

22.2 Shareholding of Promoters

Name of Promoter	As at 31st March, 2023		% Change During the Year
	Nos.	%	
Mr. Ram Agarwal	1,28,62,378	30.00%	Nil
Mrs. Sonu Ram Agarwal	85,74,933	20.00%	Nil
Total	**2,14,37,311**	**50.00%**	

Name of Promoter	As at 31st March, 2022		% Change During the Year
	Nos.	%	
Mr. Ram Agarwal	27,25,050	30.00%	Nil
Mrs. Sonu Ram Agarwal	18,16,724	20.00%	Nil
Total	**45,41,774**	**50.00%**	

Note - Pursuant to board meeting held on 28th Sept, 2020, the Company has revised the list of promoters resulting into decrease in number of promoters from 7 to 2

22.3 Rights, preference and restrictions attached to Equity Shares

(i) The Parent Company has one class of equity shares having a par value of Rs. 10 per share. All equity shares in present and in future, rank pari passu with the existing equity shares of the company and each shareholder is entitled to one vote per share.

(ii) The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting

(iii) In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

(iv) The Parent Company did not have outstanding calls unpaid by the directors and officers of the Parent Company (Previous Year Nil,) and also did not have any amount of forfeited shares (Previous Year NIL)

(v) The Parent Company has not allotted any fully paid up equity shares without payment being received in cash except bonus shares and nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date

(a) During the period of last five years, the Parent Company has issued following Bonus Shares to its Shareholders by capitalisation of reserves.

No. of Shares Issued in Bonus	Face Value per Share	Ratio	Amount (In Lakhs)	Date of Allotment
6312700	₹ 10	03:01	631 27	29-06-2020
33790992	₹ 10	372 100	3379 10	11-03-2023

22.4 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equity Shares at the begining of the Year	90,83,600	90,83,600
Add: Issued Bonus Shares during the year	3,37,90,992	-
Less: Shares Cancelled on back during the year	-	-
Equity Shares at the end of the Year	4,28,74,592	90,83,600

23 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Retained Earnings		
As per last Balance Sheet	3168 75	2031 52
Adjustments:		
Add: Profit For the Year	1994 69	1137.23
Appropriations		
Less: Capitalisation by Issue of Bonus Shares	3379 10	-
Total of Retained Earnings	**1784 44**	**3168.75**
Other Comprehensive Income Reserve		
As per last Balance sheet	22.43	17.35
Add: Other Comprehensive Income for the Year	6 34	5 08
Total of Other Comprehensive Reserves	**28.77**	**22.43**
Total of Other Equity	**1813.21**	**3191.18**

Nature of Reserves

Retained Earnings represent the undistributed profits of the Group.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income(OCI). OCI is classified into i) Items that will not be reclassified to profit and loss ii) Items that will be reclassified to profit and loss.

24 FINANCIAL LIABILITIES - NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured Loans (against hypothecation of assets)		
Vehicle & Business Loans	0 1 8.41	263.30
Less: Current maturities of Long Term Debt	105 32	92.69
Term Loans from Banks	616.09	170.61
Unsecured Loans		
From Directors	55 00	-
From Relatives of Directors	-	40 00
Total	**671.09**	**210.61**

Details & Principlele terms of Secured Loans

Security	Amount of Monthly Instalment	Rate of Interest (p.a.)	Purpose / Sanction Amount	Banker
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.26	8.35%	Vehicle Loan - ₹ 12.50 Lakh	ICICI Bank Ltd**
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.42	8.50%	Vehicle Loan - ₹ 16.92 Lakh	ICICI Bank Ltd**
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.35	7.25%	Vehicle Loan - ₹ 14.01 Lakh	Axis Bank Ltd
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	1.02	7.75%	Vehicle Loan - ₹ 50.75 Lakh	BMW India Financial Services P Ltd
Primary Security - Nil For details of collateral securities - Refer Note2		10.50%	WCTL - ₹ 250 Lakh	Bandhan Bank Limited[2]
First Pari Passu Charge over the stock and book debts of the Parent Company For collateral security details - Refer Note3	6.38 + Interest	Repo + 3%	Business Loan ₹ 200 Lakh	ICICI Bank Limited[3]
First Pari Passu Charge over the stock and book debts of the Parent Company. For collateral security details - Refer Note3	7 nil + Interest	Repo + 3%	Term Loan ₹ 10000 Lakh	ICICI Bank Limited[3]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.20	7.69%	Commercial Vehicle Loan - ₹ 9.20 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.21	7.69%	Commercial Vehicle Loan - ₹ 9.65 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.20	7.60%	Commercial Vehicle Loan - ₹ 8.20 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding	0.21	7.60%	Commercial Vehicle Loan - ₹ 8.45 Lakhs	ICICI Bank Ltd[1]
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding	0.41	8.40%	Commercial Vehicle Loan - ₹ 17.40 Lakhs	ICICI Bank Ltd
Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.	0.36	8.70%	Commercial Vehicle Loan - ₹ 13.99 Lakhs	ICICI Bank Ltd[1]

**Account closed during the FY 2022-23

Note:1-During the year 2022-23, Patent Company has availed Vehicle loans from ICICI Bank

Note:2- Collateral Securities Offered to Bandhan Bank Limited against WCTL are as under

a) Exclusive charge on residential property by Equitable Mortgage situated at Flat A/12/F1/103, 1st Floor, Sainwoods Estate Ltd NRI Complex Palm Beach Marg, Sec. 54, 55, 58, Nerul, Navi Mumbai admeasuring 129.50 sq mtr in name of Patent Company.

b) FD lien marked to the tune of 0.30 Cr or such higher amount which is required to maintain 100% collateral cover for WCTL

c) Personal Guarantee of following persons has been offered.

i) Mr. Ram Agarwal ii) Mr. Vikas Agarwal iii) Mr. Santosh Agarwal iv) Mrs. Sushila Agarwal

d) Parent Company has closed the banking with Bandhan Bank in FY 2023-23 completely

e) During the year 2021-22 the loan account of Bandhan Bank has been taken over by the ICICI Bank and all limits from Bandhan Bank have been closed

Note:3- Collateral Securities Offered to ICICI Bank Limited against Term Loan are as under:

a) First Pari passu Charge over Current Assets

b) Cash margin in form of FD of Rs. 7.75 million

c) Exclusive charge on industrial property Plot no. EL-73, TTC Industrial area, Mahape, MIDC Navi Mumbai 400710

d) Exclusive charge on residential property by Equitable Mortgage situated at Flat A/12/F1/103, 1st Floor, Sainwoods Estate Ltd. NRI Complex, Palm Beach Marg, Sec. 54, 55, 58, Nerul, Navi Mumbai, admeasuring 129.50 sq mtr in name of Patent Company.

e) Personal Guarantee of i) Mr. Ram Agarwal iii) Mr. Vikas Agarwal has been offered:

Note:4>> The Group does not have any subsisting default in repayment of loans and interest as on the reporting date
Note:5>> Borrowings from banks and financial institutions have been used for the purpose for which they were obtained.
Note:6> Unsecured Loan from director / relative of Director is/was payable on demand

25 PROVISIONS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Non-Current	Current	Non-Current	Current
Provision for Defined Benefits/Gratuity	79.19	10.99	70.68	6.37
Provision for Leave Encashments	-	-	-	-
Provision for Warranties	17.11	25.66	-	-
Other Provisions	-	7.80	-	5.25
Total	96.30	44.45	70.68	11.62

Movement in Provisions

Particulars	As at 1st April 2022	Additions/Creations during the Reporting Period	Amount Paid / Adj. / Utilised During the Year	As at 31st March, 2023
Provision for Defined Benefits/Gratuity	77.05	15.26	-7.13	90.18
Other Provisions	5.25	7.80	5.25	7.80
Provision for Warranty	0.00	42.77	-	42.77

Movement in Provisions

Particulars	As at 1st April, 2021	Additions/Creations during the Reporting Period	Amount Paid / Adj. / Utilised During the Year	As at 31st March, 2022
Provision for Defined Benefits/Gratuity	61.90	15.15	-	77.05
Other Provisions	3.00	5.25	-3.00	5.25
Provision for Warranty	-	-	-	-

i) Warranty costs are provided based on managements' best estimates of the cost required to be incurred for repairs replacements,material cost,servicing,and post experience in respect of warranty costs based on previous experience
ii) The provision of warranty as required to be disclosed in compliance with Ind AS 37, Provisions, Contingent liabilities and Contingent Assets is as above.

26 FINANCIAL LIABILITIES - CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured		
From Banks		
Overdraft / Cash Credit Facility from Banks [1&2]	1697.25	-
From Others	-	-
Unsecured		
From Banks		
Credit Card Dues	1.37	1.77
Current maturities of Long Term Debts (Note 21)	195.32	97.69
Total	1893.90	94.45

Note: 1 Summary of Overdraft / Cash Credit facilities from banks are as under

(A) Cash Credit Facilities - Axis Bank - ₹ 1800 Lakhs

Banker	Axis Bank
Sanction Limit (₹ in Lakhs)	2200.00
Outstanding Limit (₹ in Lakhs)	1552.65
Interest Rate	Repo Rate + 3.65%
Purpose	Working Capital Purpose
Security	a) Hypothecation on current assets of the company present and future. b) 45% in the form of Liquid with banks (en noted on thereon including cash Margin of BG/LC.
Personal Guarantees	Further, secured by personal guarantee of Mr. Ram Agarwal & Mr Vikas Agarwal

(B) Cash Credit Facility - ICICI Bank - ₹ 775 Lakhs

Banker	ICICI Bank
Sanction Limit (₹ in Lakhs)	775.00
Outstanding Limit (₹ in Lakhs)	58.56
Interest Rate (Bill Discounting)	Repo + 3%
Cash Margin (₹ in Lakhs)	77.50
Security	It is same as mentioned for business loan taken from ICICI Bank See Note No 24
Personal Guarantees	Personal Guarantees of Mr Ram Agarwal & Vikas Agarwal

Note: 2 The Group does not have any continuing default in repayment of loans and interest as on the reporting date.
Note:3 Borrowings from banks and financial institutions have been used for the purpose for which they were obtained
Note: 4 Disclosure of Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, is given at note No 50

21 FINANCIAL LIABILITIES - CURRENT - TRADE PAYABLES'

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) total outstanding dues of micro enterprises and small enterprises;	292.50	12.77
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	5187.92	4729.01
Total	5480.42	4741.78

Note: 1 Detailed ageing schedule is given at Note No. 48

23 FINANCIAL LIABILITIES -CURRENT - OTHER

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest accrued but not due on borrowings	0.57	1.97
Salary Payables including bonus	75.30	106.72
Directors Remuneration payable	1.01	29.44
Sitting Fees Payable to Directors	0.58	-
Other Outstanding Expenses	5.71	13.17
Total	85.16	149.30

29 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory Liabilities	290.46	97.86
Advances from Customers	89.01	13.41
Total	**379.46**	**111.27**

30A CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Tax	748.27	-
Less: TDS / Advance Tax Paid	598.63	-
Total	149.64	-

30B CURRENT TAX ASSETS

(₹ in Lakhs)

Particulars	-	-
TDS / Advance Tax Paid	1.49	445.75
Less: Provision for Tax	-	427.64
Total	1.49	18.10

31 LEASES

(₹ in Lakhs)

Group as a Lessee

The Group has taken on some properties on long-term leases and short-term leases. Most of the property leases include renewal and escalation clauses. The Group has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 and related interpretation and guidance. The Group has applied Ind AS 116 using the modified retrospective approach.

In respect of Leased Properties taken on Long-term :

Impact of Adoption of Ind AS 116 on the Statement of Profit and Loss (excluding corresponding deferred tax):

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest on Lease Liabilities	1.08	1.56
Depreciation of Right-of-Use Assets	0.42	0.42
Actual Lease Rental Paid	7.20	7.74
Impact on Statement of Profit or Loss	-17.26	-11.54

Lease Liabilities Reconciliation

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Lease Liabilities Recognised	17.64	23.83
Lease Liabilities Recognised during the Year	-	-
Interest on Lease Liabilities	1.08	1.56
Repayment / Actual Rent Paid	7.20	7.74
Closing Lease Liabilities	11.53	17.64

Classification of Lease Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Lease Liabilities	5.81	6.08
Non-Current Lease Liabilities	5.72	11.56

Note: The Company has inadvertently shown the Leasehold Land under Investment Property, which is now been regrouped under ROU Asset. Refer Note - 52 for adjustments done in prior period against the rectification of error.

In respect of Leased Properties :

The Group has taken certain offices and residential premises under operating lease agreements for short period. Aggregate rental of ₹ 205.43 Lakhs (Previous Year - ₹ 137.61 Lakhs) on such leases has been charged to Statement of Profit and Loss.

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

32 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Sale of Products	21492.38	16419.75
Sale of Services	611.55	516.82
Sale of EPC Contracts (Solar)	906.91	189.39
Other Operating Revenues	25.48	4.77
Total Revenue from Operations	**23036.32**	**17130.73**

Reconciliation of Sale of Services	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Service Charges Billed During the Year	593.42	585.49
Opening Unbilled Revenues from Services	34.14	-102.00
Closing Unbilled Revenues from Services	52.27	34.14
Net Revenue from Sale of Services	**611.55**	**516.82**

Geographical disaggregation	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Sales in India	22965.66	17130.73
Sales Outside India	50.66	0.00
Total	**23036.32**	**17130.73**

Reconciliation of Revenue from Sale of Products	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Sales from Product Billed	30600.30	25543.56
Less: Interbranch Transfers	9107.92	9123.80
Net Sales from Products	**21492.38**	**16419.75**

33 OTHER INCOMES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest Income:		
Interest Income on bank deposits	55.72	35.68
Interest Received on Arbitration Award[1]	50.36	-
Interest Income on IT Refunds	0.28	-
Other Non-Operating Income:		
Rent / Lease Income (Refer Note 6)	6.60	4.38
Foreign Exchange Gain (Net)	-	5.52
Net Gain (Loss) on disposal of PPE/Investment Property	0.52	21.23
Net Gain on Sale of Investments	4.34	7.22
Recovery of Bad Debts through Arbitration Award[1]	80.16	-
Other Income	0.36	0.01
Total	**198.32**	**74.04**

Note 1: During the financial year 2022-23, the Parent Company has received a sum of Rs. 80.16 Lakhs as principal amount against old unpaid disputed dues and Rs. 50.35 Lakhs as interest thereon from M/s Mphasis Limited in terms of arbitration award dated 15th April, 2021 given by Appellate Tribunal of Shri Justice H N. Nagamohan Das, Sole Arbitrator At Arbitration & Conciliation Center - Bengaluru (Domestic & International) in the matter of A/c No. 20/2019 between Mphasis Limited and M/s Prostarm Info Systems Limited (the Parent Company).

34 COST OF MATERIAL CONSUMED

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Inventory at the Commencement of the Year	210.43	0.00
Add: Purchases made during the year	1815.80	296.44
Less: Inventory at the End of the Year	585.66	210.43
Net Cost of Material Consumed	**1440.58**	**86.01**

35 PURCHASE OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Purchases made during the Year	24935.05	23186.44
Inter-Branch Purchases	-9107.92	-9120.80
Net Purchases of Stock-in-Trade	**15827.12**	**14065.64**

36 CHANGE-IN-INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRAI

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Inventory at the Beginning of the Year	**2956.91**	**1736.31**
Traded Goods	2866.88	1736.31
Packing Materials & Consumables	0.63	0.00
Finished Goods	54.10	-
Work-in-Progress	35.30	-
Inventory at the End of the Year	**3583.06**	**2956.91**
Traded Goods	2947.00	2866.58
Packing Materials & Consumables	3.19	0.63
Finished Goods	356.51	54.10
Work-in-Progress	276.37	35.30
Change-in-Inventory During the Year	**-626.14**	**-1220.61**

37 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Salary and Wages (Including Bonus)	1413.72	1071.34
Directors' Remuneration	101.14	49.12
Staff Welfare Expenses	76.74	48.88
Contribution to provident and other funds	70.66	70.81
Gratuity Expense	25.57	21.93
Professional Tax Paid	0.03	0.03
Employee Insurance Expenses	12.13	0.45
Total	**1699.42**	**1270.57**

38 FINANCE COSTS

(₹ In Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest Expense	107.50	15.76
Other Borrowing Cost (upfront fees, renewal fees, etc)	17.41	25.91
Other Bank Charges	25.92	16.72
Interest / Penalty on Income-tax	4.37	22.02
Interest on TDS/TCS	0.69	0.31
Interest on Leased Liability	1.23	1.56
Total	**157.09**	**82.29**

39 DEPRECIATION & AMORTIZATION EXP

(₹ In Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Depreciation on PPE (Refer Note-5)	123.07	55.33
Depreciation on Investment Properties (Refer Note-6)	6.19	7.93
Amortization on Intangible Assets (Refer Note-7)	35.14	30.43
Amortization of Right-of-Use Assets (Refer Note-9)	0.42	0.42
Total	**164.80**	**94.10**

40 OTHER EXPENSES

(₹ In Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Operating & Manufacturing Overheads		
Freight & Transportation Charges	335.57	396.18
Labour Charges	22.21	9.50
Custom Clearing & Forwarding Charges	80.90	0.14
Service Charges	79.24	64.54
Installation Charges	48.76	13.43
Packing & Forwarding Charges	0.92	0.05
Factory Expenses	0.83	0.03
Loading & Unloading Charges	40.37	37.92
Total (A)	**618.39**	**549.49**
Establishment Expenses		
Corporate Social Responsibility Expenses	25.00	17.50
Business Promotion Expenses	15.68	7.60
Misc Expenses	23.70	7.55
Development Charges	0.39	-
Lodging and Boarding	0.23	0.21
Electricity & Water Charges	20.02	14.31
Insurance Charges	12.21	5.67
Interest, Late Fees & Demands - GST	25.31	16.92
Repair & Maintenance Charges	28.74	19.14
Tender Fee	9.24	7.63

Continued...

Office & Misc Expenses	97.44	79.36
Postage & Courier Charges	7.40	4.58
Printing & Stationery	10.53	6.16
Professional & Consultancy Charges	226.17	81.08
Rent, Rates & Taxes	206.23	140.01
Telephone & Internet Exp	8.18	5.40
Travelling & Conveyance Expenses	409.45	294.39
Brokerage & Commission	14.53	10.41
Government Fee	0.09	8.09
ROC Fees	39.49	-
Audit Fees	9.71	5.25
Sitting Fees to Directors	0.88	-
Non-inventory exp	15.58	2.67
Security Service Charges	5.90	-
Recruitment Service Charges	4.00	-
Donations	7.00	-
Warranty Expenses	42.77	-
Allowance for Bad & Doubtful Debts	9.57	-
Penalty under GST Law	0.25	2.15
Sundry Balance Written Off	35.54	43.86
Lease Registration Charges	5.18	0.00
Foreign Exchange Loss (Net)	25.72	0.00
Total (B)	**1334.56**	**709.15**
Total (A+B)	**1952.95**	**1329.64**

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

41 INCOME TAX EXPENSE

(₹ in Lakhs)

The major components of income tax expense for the reporting periods are indicated below

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
a) Statement of Profit or Loss for the Year ended		
Current Tax :		
Current tax on profit for the year	748.27	427.64
Charge/Credit in respect of current tax for earlier year	3.78	5.85
Total Current Tax	**752.04**	**433.49**
Deferred Tax :		
Origination and reversal of temporary differences	-63.99	-21.35
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total Deferred Tax :	**-63.99**	**-21.35**
Total Tax Expense / (Credit) for the Year	**688.06**	**412.15**
b) Statement of Comprehensive Income for the Year ended		
Deferred tax (Credit) / charge on :		
Remeasurement of defined benefit obligations	2.17	1.71
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total	**2.17**	**1.71**

(A) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows.

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Accounting Profits / (loss) before tax	2618.83	1497.12
Statutory income tax rate (%)	25.11%	25.09%
Tax at Indian statutory income tax rate	657.64	375.60
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income:	81.67	38.76
Permanent Disallowances	8.96	13.27
Changes in deferred tax balances due to the change in income tax rate for the year	-	-
Total Income-tax Expense / (Credit)	**748.27**	**427.64**
Effective income tax rate (%)	28.57%	28.56%

(B) The movement in deferred tax assets and liabilities during the financial year 21-22 and 22-23 are as under

Particulars	As at 31st March, 2022	Charged / (Credited) to P&L	Charged / (Credited) to OCI	As at 31st March, 2023
Deferred Tax Assets :				
Provision of doubtful debts and advances	-	2.41	-	2.41
Provision for Warranty Expense	-	10.76	-	10.76
Provision of Gratuity (Employee Benefits)	19.40	5.49	-2.17	22.72
Carry forward of Capital Losses	51.80	49.20	-	101.00
Temporary Disallowances under IT Act	1.26	0.25	-	1.51
Property, Plant & Equipment	10.55	-4.13	-	6.42
		-	-	
Deferred Tax Liabilities		-	-	
Property, Plant & Equipment	-	-	-	-
Fair Valuation of Investments	-	-	-	-
Total	**-83.01**	**-63.99**	**2.17**	**-144.82**

Particulars	As at 31st March, 2021	Charged / (Credited) to P&L	Charged / (Credited) to OCI	As at 31st March, 2022
Deferred Tax Assets :				
Provision of doubtful debts and advances	-	-	-	-
Provision for Warranty Expense	-	-	-	-
Provision of Gratuity (Employee Benefits)	9.74	11.36	-1.71	19.40
Carry forward of Capital Losses	-	51.80	-	51.80
Temporary Disallowances under IT Act	0.23	1.03	-	1.26
Property, Plant & Equipment	53.40	-42.85	-	10.55
		-	-	
Deferred Tax Liabilities		-	-	
Property, Plant & Equipment	-		-	-
Fair Valuation of Investments	-	-	-	-
Total	**-63.37**	**-21.35**	**1.71**	**-83.01**

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

42 RELATED PARTY TRANSACTIONS

(₹ in Lakhs)

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are reported as under

A Name of related parties and description of relation:

(i) Entities where control exist – Subsidiaries

Name of Company	Nature of Relationship
Prostarm Energy Systems Private Limited	Subsidiary (w.e.f. 17th July 2021)

(ii) Other Related Parties

Name of Company / Entity	Nature of Relationship
Mr Shyam Sundar Agarwal	Relative of Director
Mr Santosh Agarwal	Relative of Director
Mrs Parvati Agarwal	Relative of Director
Mrs Jayanti Ghosh	Relative of Director
Mrs Kavita Jain	Relative of KMP
M/s S K Enterprises (Prop. Kavita Jain)	Proprietorship Firm of Relative of KMP
M/s Aanchal Innovations Private Limited	Significant Influenced Entity (Common Directorship)

(iii) Key Managerial Personnel (KMP)

Designation	Name
Chairman & Managing Director	Mr. Tapan Ghose
Whole Time Director & Chief Executive Officer	Mr. Ram Agarwal
Whole Time Director	Mrs. Sonu Ram Agarwal
Whole Time Director	Mr. Vikas Shyamsunder Agarwal
Whole Time Director	Mr. Raghu Ramesh Thammanoshasin
Independent Director	Mr. Aniruddha Madhav Lele[1]
Independent Director	Mr. Harsh Jadhani[2]
Independent Director	Mr. Somani Rao
Independent Director	Mr. Bhargav Chatterjee
Independent Director	Mr. Ganesh Rasiklal Kumar Pansari
Independent Director	Mr. Shivkumar Basra
Independent Director	Ms. Mitali Chatterjee
Chief Financial Officer	Mr. Abhishek Jain
Company Secretary	Mr. Prashant Sharad Patankar
Director of Subsidiary	Mr. Radhakrishnan Nair
Director of Subsidiary	Mr. Abhishek Jain

Note: Related party relationship is as identified by the Company and relied upon by the auditors.

B Related Party Transactions

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The Group has not recorded any impairment of receivables relating to amounts owed by related parties at reporting dates. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates. There are no commitments with related parties.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant period

Transaction Type / Party	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Unsecured Loan Taken	-	-
Mr Radhakrishnan Nair	55.00	-
Unsecured Loan Repaid		
Mr Shyam Sundar Agarwal	40.00	-
Short term employee benefits**		
Mr Tapen Ghose	6.23	6.23
Mr Ram Agarwal	48.23	48.23
Mrs Sonu Ram Agarwal	24.23	24.23
Mr. Raghu Sriram	22.43	18.43
Mrs. Parvati Agarwal	6.23	6.23
Mr Santosh Agarwal	6.23	6.23
Mrs. Jayanti Ghose	7.23	6.23
Mr. Abhishek Jain	5.22	-
Mr. Prashant Sharad Patankar	1.95	-
Ms Kavita Jain	1.02	-
Sales Commission Paid/ Payable		
Mr Vikas Agarwal	6.00	6.00
Sitting Fees Paid /Payable		
Mr Goutam Paul	0.20	-
Mr Bhargav Chatterjee	0.35	-
Mr Ganesh Panseri	0.10	-
Mr Shirkumar Basu	0.10	-
Ms Mitali Chatterjee	0.30	-
Rent Received / Receivable		
Mr. Ram Agarwal	2.40	2.40
Salary Advances		
Mr Santosh Agarwal	0.65	-
Mr Ram Agarwal	12.61	-
Mrs. Sonu Ram Agarwal	9.48	-
Mrs. Parvati Agarwal	12.33	
Mrs. Jayanti Ghose	1.50	0.58
Mr. Abhishek Jain	3.00	-
Sale of Products		
Mr Radhakrishnan Nair	-	0.23
Aarchor Innovations Pvt Ltd	53.59	7.61
S K Enterprises (Prop. Kavita Jain)	1.00	-
Sale of Services		
Purchase of Materials / Products		
Aarchor Innovations Pvt Ltd	0.62	484.80
S K Enterprises (Prop. Kavita Jain)	1.91	-
Reimbursement of Expenses		
Mr. Abhishek Jain	0.06	-
Mr. Prashant Sharad Patankar	-	-
Mr Radhakrishnan Nair	12.02	11.65

**The remuneration to the Key Management Personnel does not include provision made for gratuity as they are determined on an actuarial basis for the each company of the Group as a whole

The receivables from and payables to related parties as at 31st March, 2023 and 31st March, 2022 are set out below:

Related Party	As at 31st March, 2023	As at 31st March, 2022
Payable To		
Mr. Shyam Sunder Agarwal (Unsecured Loan)	-	40.00
Mr. Ram Agarwal (Remuneration)	1.65	12.72
Mrs. Sonu Ram Agarwal (Remuneration)	1.35	12.61
Mr. Raghu Ramesh Thennamaneshtr (Remuneration)	-	1.51
Mr. Vikas Agarwal (Commission)	-	10.70
Mr. Vikas Agarwal (Remuneration)	-	-
Mrs Parvati Agarwal (Salary)	-	0.54
Mr. Santosh Agarwal (Salary)	-	4.32
Mrs Jayanti Ghose (Salary)	-	-
Mr. Goutam Paul (Sitting Fees)	0.20	-
Mr. Bhargav Chatterjee (Sitting Fees)	0.20	-
Mr. Ganesh Bajrang Kumar Pansari (Sitting Fees)	0.10	-
Mr. Shivkumar Gaser (Sitting Fees)	0.10	-
Ms Malati Chatterjee (Sitting Fees)	0.20	-
Aanchor Innovations Pvt Ltd	120.20	122.85
Mr. Radhakrishnan Nair (Remuneration & Incentive)	47.00	-
Mr. Radhakrishnan Nair (Unsecured Loan)	55.00	-
Receivable From		
Mr. Santosh Agarwal (Salary Advance)	0.65	-
Mrs. Jayanti Ghose (Salary Advance)	1.70	11.55
Mr. Ram Agarwal (Rent Receivable)	-	2.47
Mr. Abhishek Jain (Salary Advance)	3.00	-
M/s SK Enterprise Proprietor Ms Kavita Jain (Sales)	2.07	-
Mr. Radhakrishnan Nair (Sale of Goods)	-	0.30
M/s Aanchor Innovations Pvt Ltd	-	1.19

Note 1:- Mr. Ram Agarwal, CFO has also appointed as Director of the Parent Company with effect from March 25, 2022.
Note 2:- Mr. Aniruddha Madhav Oke was appointed as an Independent Director with effect from March 25, 2022 and has resigned with effect from March 25, 2023.
Note 3:- Ms. Nehal Kirti Sangoi, Independent Director has resigned from her post with effect from 21st March, 2022
Note 4:- Mr. Abhishek Jain has been appointed as Chief Financial Officer of the Parent Company with effect from 24th Jan, 2023.
Note 5:- Mr. Prasham Patanvi has been appointed as Company Secretary of the Parent Company with effect from 24th Jan, 2023.
Note 6:- Mr. Goutam Paul was appointed as an Independent Director of the Parent Company with effect from March 9, 2023
Note 7:- Mr. Bhargav Chatterjee was appointed as an Independent Director of the Parent Company with effect from March 9, 2023
Note 8:- Mr. Ganesh Pansari was appointed as an Independent Director of the Parent Company with effect from March 9, 2023
Note 9:- Mr. Shivkumar Gaser was appointed as an Independent Director of the Parent Company with effect from March 9, 2023
Note 10:- Ms. Malati Chatterjee was appointed as an Independent Director of the Parent Company with effect from March 9, 2023
Note 11:- Transaction with Ms. Kavita Jain and her Proprietorship firm Namely SK Enterprise have been considered for the period on or after 24th Jan, 2023 i.e. after appointment of Mr. Abhishek Jain as CFO of the Parent Company being relative of Ms Kavita Jain
Note 12:- Mr. Harish Thadani has resigned from the post of Independent Director of the Parent Company with effect from March 25,

Terms & Conditions:

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists. For the FY 2023 and FY 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on mutually commercial terms and conditions and market rates.

Loans from related parties:

The Group had taken loans from related parties for business requirement. The loan balances as at March 31, 2023 is Rs. 55 Lakhs and as at March 31, 2022 was Rs. 40 Lakhs. These loans are unsecured in nature and is payable on demand.

The following are the details of the transactions eliminated during the period/year ended March 31, 2023 and March 31, 2022

Related Party	Nature of Transaction	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
(a) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Payable Towards Purchase of Materials	-	14.57
(b) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Receivable Towards Sale of Materials	-	14.57
(c) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Receivable Towards Sale of Materials	34.16	-
(d) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Payable Towards Purchase of Materials	34.16	-
(e) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Receivable Towards Advance Against Purchase of Materials	8.02	-
(f) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Payables Towards Advances Received Against Sale	8.02	-
(g) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Investment in Shares Made	345.79	345.79
(h) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Investment in Shares Received	345.79	345.79
(i) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Purchase of Materials*	1177.19	46.74
(j) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Sale of Materials	1177.19	46.74
(k) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Sale of Materials	55.05	1.78
(l) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Purchase of Materials	55.05	1.78
(m) Prostarm Info Systems Limited Prostarm Energy Systems Private Limited	Sale of Services	-	2.33
(n) Prostarm Energy Systems Private Limited Prostarm Info Systems Limited	Purchase of Services	-	2.33

*The Parent Company has purchased materials of Rs. 1181.51 Lakhs from subsidiary which includes sale of fixed assets to the extent of Rs. 4.32 Lakhs and the same has become part of stock-in-trade item (being bamboo) for the Parent Company. Therefore, in above table elimination impact has been given for Rs. 1177.19 Lakhs being its conversion of fixed asset into stock-in-trade at Group level and those items have also been sold by the Parent during the year under consideration

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

43 EARNING PER SHARE

(₹ in Lakhs)

Basic Earnings per share (EPS) amounts are calculated by dividing the Profit/(loss) for the year attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the Profit/(loss) attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share.

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
A. Nos. of Equity Shares outstanding at end of year	42874592	9008600
B. Weighted Average number of Equity Shares for Basic & Diluted EPS		
Number of equity shares at the beginning of the year	9083600	9083600
Add: No. of Bonus Shares issued during the year**	33790992	33790992
Weighted average number of shares outstanding during the year for Basic & Diluted EPS	42874592	42874592
C. Profit attributable to owners of the Parent Company		
Profit (Loss) attributable to owners of Parent Company after Exceptional Items (₹ in	1994.79	1137.23
Less: Extraordinary/Exceptional Income after tax (₹ in Lakhs)	-	-
Profit attributable to owners of Parent Company before Exceptional Items (₹ in Lakhs)	1994.79	1137.23
D Earning per Share before Exceptional Income		
Basic & Diluted Earning Per Share (in ₹)	**4.65**	2.65
E Earning per Share after Exceptional Income		
Basic & Diluted Earning Per Share (in ₹)	**4.65**	2.65
F Nominal Value of Shares (in ₹)	10.00	10.00

** The Parent Company has issued bonus share in the ratio of 3:1 (100 during the year ended 31st March, 2021 (refer note 22 Shall)in line with the requirements of Para 28 of Ind AS 33,for the purpose of EPS calculations, bonus shares issued have been considered as if the event of bonus issue had occurred at the beginning of the earliest period reported

44 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Contingent Liabilities		
Claims against the Group not acknowledged as debt[1]	11.30	11.30
Guarantees & LC excluding financial guarantees[2]	1050.94	649.02
Other money for which the Group is contingently liable[3]	3.06	437.74
Commitments		
Estimated amount of contracts remaining to be executed on capital account & not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments	-	-

Notes:

1 The Group has certain disputes, lawsuits and claims, which arise in from time to time in the ordinary course of business. The Group believes these matters are not expected to have material impact on the Financial Statements

2 Includes Bank Guarantees issued in favour of various customers for supply of materials, tendering, etc

3 Represents demands raised by income tax and service tax authorities pending before appellate authorities or appeal to be filed within due course

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

45 FINANCIAL RISK MANAGEMENT

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Financial Risk Factors

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers and related party. The Company operates majorly with AVCs with high credit ratings resulting in limited credit risk on trade receivables.
Liquidity risk	Liabilities	Rolling cash flow forecasts	The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company believes that the working capital and its cash and cash equivalent are sufficient to meet its short and medium term requirements.
Market risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	The Company has very limited exposure to the financial risk of changes in foreign currency exchange rates.

A. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and consideration differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

The Company provides for expected credit loss based on the following

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, trade receivables, cash and cash equivalents, financial assets measured at amortised cost	12 month expected credit loss or
High credit risk	Trade receivables	Life time expected credit loss or specific provision, as required

(₹ In Lakhs)

Particulars	Note	Note No	As at 31st March, 2023	As at 31st March, 2022
Low credit risk				
Security deposits	Other Current Assets - Non Current	12	258.81	271.27
Trade receivables	Current & Non-Current Trade Receivables	10 & 16	6577.05	9430.72
Cash and cash equivalents	Cash and cash equivalents	17	77.04	199.33
Bank balances other than Cash and cash equivalents	Current Financial Assets - Other Bank Balances	18	8.66	-
Other financial assets	Other Financial Assets - Current & Non Current	11,12,15,19 & 20	1359.30	1186.33
High credit risk				
Trade receivables	Current & Non Current Trade Receivables	10 & 16	95.68	39.10
Loans			-	-
Total				

*These represent carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits
Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country

Trade receivables
Trade receivables are generally unsecured and non interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Company. The Company has also taken advances from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Company recognises a impairment on lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company

Other financial assets measured at amortised cost
Other financial assets measured at amortised cost includes loans to related parties, loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits

b Expected credit losses for financial assets

i. Financial assets (other than trade receivables)
Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.
- For cash & cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low
- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset
- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Company policy is to provide for 12 months expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

(₹ in Lakhs)

Particulars	Notes	Gross carrying amount	Expected probability of Default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2023					
Cash and cash equivalents	17	77.04	0%	-	77.04
Other bank balances	18	8.66	0%	-	8.66
Other financial assets	11,12,15,19 & 20	2048.11	0%	-	2048.11
March 31, 2022					
Cash and cash equivalents	17	199.33	0%	-	199.33
Other bank balances	18	-	0%	-	0.00
Other financial assets	11,12,15,19 & 20	1456.60	0%	-	1456.60

A) Expected credit loss for trade receivables under simplified approach (₹ in Lakhs)

As at March 31, 2023 and March 31, 2022, the Company considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 6 months after the reporting date. In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Particulars	Carrying amount net of impairment Provision	Gross carrying amount	% of expected credit losses	Allowance for Expected credit losses
March 31, 2023				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	86.11	95.68	10.00%	9.57
Total	**86.11**	**95.68**		**9.57**
March 31, 2022				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	-	-	0.00%	-
Total	-	-		-
March 31, 2021				
Amount not yet due	-	-	0.00%	-
Between one to six month overdue	-	-	0.00%	-
Greater than six month overdue	-	-	0.00%	-
Total	-	-		-

Reconciliation of loss allowance provision for Trade receivables from beginning to end of reporting period:

Particulars	Trade receivables
Loss allowance as at April 1, 2021	-
Changes in loss allowance	-
Loss allowance as at March 31, 2022	-
Changes in loss allowance	9.57
Loss allowance on March 31, 2023	**9.57**

B. **Market Risk**

a) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities that are not hedged by a derivative at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Foreign Currency*	₹	Foreign Currency*	₹
Trade Payables				
USD**	8,98,623	737.86	12,26,645	931.19
CNY***	-	-	-	-
Trade Receivables	-	-	-	-
Other Payables				
USD**	-	-	-	-
CNY***	-	-	-	-
Total		737.86		931.19

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Company's financial assets and financial liabilities at the reporting date. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near term future volatility.

Sensitivity analysis of 5% change in exchange rate at the end of reporting period. (₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	USD**	CNY***	USD**	CNY***
Foreign Currency Sensitivity				
Impact on Profit & Loss				
5% Appreciation in [₹]	36.89	-	46.56	-
5% Depreciation in [₹]	36.89	-	46.56	-

*Foreign currency is presented in absolute numbers
**USD represents for United States Dollar
***CNY represents for Chinese Yuan Renminbi

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates on account of procurement of goods/materials from outside India.

C. **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company believes that the working capital and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

As at 31st March, 2023 (₹ in Lakhs)

Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	1608.58	1608.58	1608.58	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	866.41	866.41	195.32	671.09
Lease Liability	11.53	11.53	5.81	5.72
Trade Payables	5980.42	5980.42	5980.42	-
Other Financial Liabilities	85.16	85.16	85.16	-

As at 31st March, 2022 (₹ in Lakhs)

Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	1.77	1.77	1.77	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	303.30	303.30	92.69	210.61
Lease Liability	17.64	17.64	6.08	11.56
Trade Payables	4761.78	4761.78	4761.78	-
Other Financial Liabilities	849.30	849.30	849.30	-

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

46 TRADE PAYABLES - DISCLOSURES

(₹ in Lakhs)

46.1 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	792.52	-	-	-	792.52
(ii) Others	-	-	5040.94	146.90		-	5187.92
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-

46.2 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	32.77	-	-	-	32.77
(ii) Others	-	-	4720.01	8.71	-	-	4728.81
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-

47 Disclosure of Loans & Advances to Promoters, Directors, KMPs & the Related Parties

(₹ in Lakhs)

Type of Borrower	As on 31st March, 2023		As on 31st March, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	2.00	0.98%	-	0.00%
Related Parties	7.35	5.65%	0.58	2.18%

Note: During the current and previous reporting period, Group has not granted any loan or advances to promotores, directors, KMPs and their relatives except small advances against remuneration and salaries as above.

48 TRADE RECEIVABLES - DISCLOSURES

(₹ in Lakhs)

48.1 Ageing for current trade receivables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	52.27	5953.78	305.76	-	-	-	6311.81
have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	8.48	-	-	-	8.48
(v) Disputed Trade Receivable, which have significant increase in credit	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	52.27	5953.78	314.24	-	-	-	6320.29

Note: There are not any trade receivables which are not due on reporting date.

48.2 Ageing for non current trade receivables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	140.56	67.38	57.20	265.24
have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	10.01	77.18	-	87.20
(v) Disputed Trade Receivable, which have significant increase in credit	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	150.58	144.56	57.20	352.44

Note: There are not any trade receivables which are not due on reporting date

48.3 Ageing for current trade receivables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	34.14	3072.29	51.19	-	-	-	3157.61
have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	5.03	-	-	-	-	5.03
(v) Disputed Trade Rece, which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	34.14	3077.32	51.19	-	-	-	3162.64

Note: There are not any trade receivables which are not due on reporting date.

48.4 Ageing for non-current trade receivables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Unbilled	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	213.80	27.75	51.56	293.11
have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	34.07	-	-	34.07
(v) Disputed Trade Rece, which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	247.87	27.75	51.56	327.18

Note: There are not any trade receivables which are not due on reporting date

49 Details of loans given, investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013.

Loans given and Investments made are given under the respective heads

(₹ in Lakhs)

Particulars	Transaction Type	As at 31st March, 2023	As at 31st March, 2022
Prostarm Energy Systems Private Limited	Investment	345.78	345.78

50 The Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, are materially in agreement with Books of Accounts except the following figures as at 31st March, 2023

(₹ in Lakhs)

Name of Bank	Year	Quarter	Particulars	Amount as per Books of Account	Amount Reported in Stock Statement	Amounts of Difference	Reason for Discrepancies
Axis Bank, ICICI Bank	2022-23	1st	Inventory	3583.03	4848.20	-1265.17	Due to pending finalisation of Quarterly Accounts, Clearing of unidentified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4074.87	4453.30	-378.43	
			Trade Payables	-4373.17	-4990.20	617.03	
Axis Bank, ICICI Bank	2022-23	2nd	Inventory	2730.93	4100.60	-1369.67	Due to pending finalisation of Quarterly Accounts, Clearing of unidentified receipts advances, TDS as per customer / vendor advice
			Trade Receivables	5881.62	6036.00	-154.38	
			Trade Payables	-4424.32	-4319.00	-105.32	
Axis Bank, ICICI Bank	2022-23	3rd	Inventory	3813.20	4129.00	-315.80	Due to pending finalisation of Quarterly Accounts, Clearing of unidentified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	4634.44	4705.00	-70.56	
			Trade Payables	-4397.96	-4315.00	-82.96	
			Inventory	3593.90	3741.40	-147.50	Due to inclusion of corresponding input taxes on inventory for bank Submission.

Axis Bank, ICICI Bank	2022-23	4th	Trade Receivables	6704.77	6672.90	31.87	Unbilled Revenue provision was not part of Trade Receivables submitted to Bank
			Trade Payables	-5310.04	-4584.10	-725.94	Due to pending finalisation of Quarterly Accounts, Clearing of un identified receipts, advances, TDS as per customer / vendor advice
Axis Bank, ICICI Bank, Bandhan Bank	2021-22	1st	Inventory	2965.18	2657.01	308.17	Due to pending finalisation of Quarterly Accounts, Clearing of un identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	3349.59	3689.63	-340.04	
			Trade Payables	-3805.2	-3667.83	-137.37	
Axis Bank, ICICI Bank, Bandhan Bank	2021-22	2nd	Inventory	3710.82	3177.64	533.18	Due to pending finalisation of Quarterly Accounts, Clearing of un identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	3827.19	4201.5	-374.37	
			Trade Payables	-3842.56	-3850.35	7.79	
Axis Bank, ICICI Bank, Bandhan Bank	2021-22	3rd	Inventory	2674.62	2785.48	-110.86	Due to pending finalisation of Quarterly Accounts, Clearing of un identified receipts, advances, TDS as per customer / vendor advice
			Trade Receivables	3522.24	3572.3	-50.06	
			Trade Payables	2321.38	2531.91	210.53	

Axis Bank, ICICI Bank, Bandhan Bank	2021-22	4th	Inventory	2901.55	3490.17	-588.62	a) Inventory of Spare & Parts having value of ₹ 40.72 Lakhs at the end of reporting period were not declared in statements provided to banks. b) Inventory value declared in the Statement provided to banks is inclusive of taxes;
			Trade Receivables	3477.18	3695.28	218.09	Difference is on account of due reconciliation with debtors and 26AS
			Trade Payables	4548.42	4324.59	223.83	Difference is on account of due reconciliation with creditors.

51 SEGMENT INFORMATION

A) The principal business of the Group is sale of 'Customized Power Electronic Solutions' products. All other activities of the Company revolve around its principal business. The Executive Committee of the Parent Company, has been identified as the Chief Operating Decision Maker' (CODM). The CODM evaluates the Group's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. CODM have concluded that there is only one operating reportable segment as defined under IND AS 108 "Operating Segments", i.e. Customized Power Electronic Solutions.

B) Disaggregation of Revenue from Operations by Geographical Area has been provided at Note No. 32

C) All Non Current Assets of the Group are located within India only.

D) Information about Major Customers

Following are the details of single customer who contributes 10% or more to the Company's revenue during the year ended 31st March 2023 and 31 March 2022

Name of Customer	For the Year Ended 31st March, 2023		For the Year Ended 31st March, 2022	
	Revenue	% to total Group's Revenue	Revenue	% to total Group's Revenue
Indus Payments Limited	-	-	2278.48	12.35%

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

52 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per IND AS 8 an entity is required to correct prior period error retrospectively by restating the comparative amounts for the prior period presented in which the error occured. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earliest prior period presented. Therefore, in terms of provisions of IND AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening balance of retained earnings. However, in current year no such items identified which require such restatement.

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2022
Expenses	
Finance Cost on Recognition of Lease Obligation	1.56
ROU Amortization Error in Posting of Investment Property	-0.47
Recognition of Gratuity Provision in Subsidiary	-0.91
Deferred Tax Impact on Above	0.24
NCI Impact on Gratuity Provision & Related Inc	0.33
Total Impact on profits	-2.32
Increase/(Decrease) in EPS (in ₹)	(0.01)

53 CAPITAL MANAGEMENT

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year.The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Group is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves. The following table summarizes the capital of the Company.

Particulars	As at 31st March, 2023	As at 31st March, 2022
Share Capital	4287.45	918.36
Free Reserves	1913.21	3191.18
Equity (A)	**6100.67**	**4009.54**
Cash & Cash Equivalents	77.04	199.33
Short Term Investments	-	316.98
Total Cash (B)	**77.04**	**516.31**
Short-term Borrowings	1803.90	94.45
Long-Term Borrowings	671.09	210.61
Total Debt (C)	**2474.99**	**305.06**
Net Debt (D=(C-B))	**2397.95**	**-211.25**
Net Debt to Equity Ratio (E=D/A)	**0.39**	**(0.05)**

In order to achieve this overall objective, the group's capital management, amongst other things, aims to ensure that it meets terms and conditions attached to the interest bearing loans and borrowings that define capital structure requirements.

54 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Income		
Export of Goods / Services	53.56	-
Expenditure		
Purchase of Goods / Services	1866.67	9499.31
Purchase of Capital Goods	-	10.22
Component & Spares	-	-

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

55 EMPLOYEE BENEFITS

(₹ in Lakhs)

As per Indian Accounting Standard (Ind AS 19) "Employee benefits", the disclosures as defined are given below:

A. Defined Contribution Plans.

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Employer's Contribution to Provident Fund	56.13	56.60
Employer's Contribution to Employee State Insurance Fund	10.50	14.21

B. Defined Benefit Plans

(I) Gratuity Benefits

1.1 (a) Change in Present Value of Obligation during the Period

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Defined Benefit Obligation, Beginning of Period	77.05	61.90
Interest Cost	5.59	4.49
Current Service Cost	18.29	17.45
Past Service Cost	-	0.00
Actual Benefits Paid	-2.13	0.00
Actuarial (Gains)/Losses	-8.62	-6.78
Defined Benefit Obligation, End of Period	90.18	77.05

1.1 (b) Bifurcation of total Actuarial (gain) / loss on Liabilities

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	-1.72	-1.80
Experience Adjustment (gain)/ loss for Plan liabilities	-6.90	-4.99
Total amount recognized in other comprehensive income	-8.62	-6.78

1.2 Key results (The amount to be recognized in the Balance Sheet):

Particulars	As at 31st March, 2023	As at 31st March, 2022
Present Value of Obligation at the end of Period	90.18	77.05
Fair value of plan assets at end of Period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	90.18	77.05
Funded Status - Surplus/ (Deficit)	-90.18	-77.05

1.3 (a) Expense recognised during the year in the Statement of Profit and Loss

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest Cost	5.59	4.49
Current Service Cost	18.29	17.45
Past Service Cost	0.00	0.00
Expected Return on Plan Assets	0.00	0.00
Total Expense/(Income) included in "Employee benefit Expense"	23.88	21.93

1.3 (b) Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Amount recognised in OCI, Beginning of period	-29.98	-23.19
Actuarial (Gains)/Losses - Obligation	-8.62	-6.79
Actuarial (Gains)/Losses - Plan Asset	-	-
Total Actuarial (Gains)/Losses	-8.62	-6.79
Cumulative total Actuarial (Gains)/Losses - C/F	-38.60	-29.98

1.3 (c) Net Interest Costs

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Interest cost on defined Benefit Obligation	5.59	4.49
Interest income on plan assets	-	-
Net interest cost (income)	5.59	4.49

1.4 Experience Adjustment

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Experience Adjustment (Gain) /loss for Plan liabilities	-6.90	4.99
Experience Adjustment Gain / (loss) for Plan Assets	-	-

2.1 Summary of membership data at the date of valuation and statistics based thereon

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
	Prostarm Energy Systems Private Limited		Prostarm Info Systems Limited	
Number of Employees	58	48	200	382
Total Monthly Salary (in Lakhs)	8.55	6.20	34.21	44.04
Average Past Service (Years)	0.9	0.6	1.5	3
Average Future Service (Years)	25.6	27.2	23.9	20.5
Average Age (Years)	34.4	32.8	36.1	33.5
Weighted Average Duration (based on DBO) in years	16	21	18	21
Average Monthly Salary (in Lakhs)	0.15	0.10	0.20	0.12
Expected Future Service taking into account Decrements (Years)			15	15

2.2 Actuarial Assumptions

Particulars	As at 31st March, 2023	As at 31st March, 2022
Discount Rate (per annum)	7.50%	7.25%
Salary Escalation rate (per annum)	6%	6%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal Rate (Per annum)	5%	5%

2.3 Benefits Valued

Particulars	As at 31st March, 2023	As at 31st March, 2022
Normal Retirement Age	60 Years	60 Years
Salary	Last Drawn Qualifying Salary	Last Drawn Qualifying Salary
Vesting Period	5 Years of Service	5 Years of Service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr)	15/26 * Salary * Past Service (yr)
Benefits on early exit due to death and	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	20.00	20.00

2.4 Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Liability (Short Term)	10.99	6.37
Non Current Liability (Long Term)	79.19	70.68
Liability/(Asset) recognised in the Balance Sheet	90.18	77.05

2.5 Effect of plan on entity's future cash flows

(a). Funding arrangements and funding policy - NOT APPLICABLE

(b): Expected contribution during the next annual reporting period

Group's best estimate of Contribution during next year	23.22	23.42

(c): Maturity profile of defined benefit obligation: Weighted Average

Weighted average duration (based on DCFs) in years (Parent Company)	18	21
Weighted average duration (based on DCFs) in years (Subsidiary)	16	21

(d): Maturity Profile of Defined Benefit Obligation: Weight Average

Particulars	As at 31st March, 2023
01 Apr 2023 to 31 Mar 2024	10.99
01 Apr 2024 to 31 Mar 2025	1.38
01 Apr 2025 to 31 Mar 2026	1.67
01 Apr 2026 to 31 Mar 2027	1.74
01 Apr 2027 to 31 Mar 2028	1.57
01 Apr 2028 Onwards	72.89

2.6 Projection for next period:

Best estimate for contribution during next period	23.22	21.79

2.7 Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analyses presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below

Particulars (Parent Company)	As at 31st March, 2023
Defined Benefit Obligation (Base)	₹87.16 Lakhs@Salary Increase Rate:6% & discour
Liability with x% increase in Discount Rate	₹ 79.45 Lakhs,x=1.00% (Change (9)%)
Liability with x% decrease in Discount Rate	₹ 96.21 Lakhs,x=1% (Change 10%)
Liability with x% increase in Salary Growth Rate	₹ 95.26 Lakhs,x=1% (Change 10%)
Liability with x% decrease in Salary Growth Rate	₹ 79.28 Lakhs,x=1% (Change (9)%)
Liability with x% increase in Withdrawal Rate	₹ 87.58 Lakhs,x=1.00% (Change 1%)
Liability with x% decrease in Withdrawal Rate	₹ 86.51 Lakhs,x=1.00% (Change (1)%)

Particulars (Subsidiary)	As at 31st March, 2023
Defined Benefit Obligation (Base)	3.01 Lakh @ Salary Increase Rate : 5%, and disco
Liability with x% increase in Discount Rate	2.79 Lakh; x=1.00% (Change (7)%)
Liability with x% decrease in Discount Rate	3.27 Lakh; x=1.00% (Change 9%)
Liability with x% increase in Salary Growth Rate	3.27 Lakh; x=1.00% (Change 9%)
Liability with x% decrease in Salary Growth Rate	2.79 Lakh; x=1.00% (Change (7)%)
Liability with x% increase in Withdrawal Rate	2.97 Lakh; x=1.00% (Change (1)%)
Liability with x% decrease in Withdrawal Rate	3.04 Lakh; x=1.00% (Change 1%)

2.8 Reconciliation of amounts in Balance Sheet

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance Sheet (Asset)/ Liability	77.05	61.90
Total Expense/(Income) recognised in P&L	23.88	21.93
OCI- Actuarial (gain)/ loss Total current period	-8.62	6.78
Benefits Paid (If any)	2.10	-
Closing gross defined benefit liability/ (asset)	**90.11**	**77.05**

3.1 In preparing this report we have heavily relied on the completeness and accuracy of the information, data and assumptions provided to us orally and in writing by or on behalf of the Group and its advisors. We have not completed any detailed validation checks/investigation on the information, data and assumptions provided, however preliminary broad consistency is viewed in respect of data. As compared to previous valuation assumptions, changes, if any, may be due to change in yield to government bonds/change in entity's long term views for future.

3.2 This report is based on going concern basis and as per requirements of Accounting Standard mentioned above and its application to the Plan. These results should not be used for any other purpose. In particular this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels and hence results will not hold good in case Group is closed or mass attrition. This report is provided solely for the Group use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or conveyed to any third whatsoever is accepted by me for any consequences arising from any third party relying on this report or any advice relating to its contents. In any case, irrespective of vendor agreement etc. liability of undersigned towards entity or anyone is strictly limited to the billed amount for this report. The Group may provide copy of this report to its auditors along with rules of the plan, but I make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the Group or its auditors in this regard. The Group should draw them provisions of this paragraph to the attention of its auditors.

4.1 Principal assumptions are discount rate and salary increase. The discount rate is based upon the yield on gsec bonds and the salary increase should take account inflation, seniority, promotion and other relevant factors. However no explicit allowance is used for disability. As per Accounting Standard, selection of appropriate assumption is responsibility of the entity. Though entity has been advised on the suitability wherever applicable, the report is based on assumptions finalized by the entity (after considering long term view entity might have considered these assumptions prudent).

Risk Factors: Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability/expenses and OCI if any.

4.2 **Mortality** is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table. Rates at specimen ages are tabulated below.

Age (Years)	Rates
20	0.000924
25	0.000931
30	0.000977
35	0.001202
40	0.00168
45	0.002579
50	0.004436
55	0.007513
60	0.011762

5. **Projected Unit Credit (PUC) Method:** is used to assess the plan liabilities, including those related to death-in-service and incapacity benefits. Under this method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plans accrual formula and service as of the beginning or end of the year, but using final compensation, projected to the age at which the employee is assumed to exit. The plan liability is actuarial present value of the projected accrued benefits as on date of valuation.

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

50 FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a orderly transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for expected losses of these receivables.

Accordingly, fair value of such instruments is not materially different from their carrying amounts. The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Fair value measurement hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

(₹ in Lakhs)

Particulars	Level	Carrying Values		Fair Values	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Financial Assets					
At Amortised Cost					
Trade Receivables		4672.73	3489.62	4672.73	3489.62
Cash & Bank Balances		85.70	199.33	85.70	199.33
Other Financial Assets		2017.87	1139.37	2017.87	1139.37
At FVPTL					
Investment in Subsidiaries	Level 3	-	-	-	-
Other Unquoted Equity Instruments	Level 3	-	-	-	-
Other Investments	Level 3	0.15	317.13	0.15	317.13
Loans	Level 3	40.15	26.71	40.15	26.71
Other Financial Assets	Level 3	-	-	-	-
Financial Liabilities					
At Amortised Cost					
Borrowings		2474.99	305.06	2474.99	305.06
Other Financial Liabilities		90.97	155.38	90.97	155.38
Trade Payables		5980.42	4761.78	5980.42	4761.78
At FVPTL					
Other Financial Liabilities	-	-	-	-	-

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

57 STATUTORY GROUP INFORMATION

(₹ in Lakhs)

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary.

Name of the Entity and Relationship	As At	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of total consolidated net assets	Amount in Rs	As % of total consolidated profits	Amount in Rs	As % of total consolidated OCI	Amount in Rs.	As % of total consolidated total comprehensive income	Amount in Rs.
Parent Company	31st March, 2023	87%	3868.76	110%	1191.60	100.00%	5.00	110%	1196.70
	31st March, 2022	93%	5515.80	80%	2061.47	96.46%	6.22	107%	2067.64
Prostarm Energy Systems Private Limited Subsidiary	31st March, 2023	13%	571.35	-10%	-106.65	0.00%	0.00	10%	-106.65
	31st March, 2022	7%	440.93	3%	130.65	3.54%	0.23	-7%	-130.42

58 MATERIAL PARTLY OWNED SUBSIDIARY

Financial information of subsidiaries that have material non controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of incorporation and operation	As at 31st March, 2023	As at 31st March, 2022
Prostarm Energy Systems Private Limited	India	49%	49%

Information regarding non-controlling interest:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Accumulated balances of material non-controlling interest:		
Prostarm Energy Systems Private Limited	216.06	279.96
Profit/(loss) allocated to material non-controlling interest:		
Prostarm Energy Systems Private Limited	116.16	57.26

The summarised financial information of this subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Prostarm Energy Systems Private Limited.

Summarised Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	For The Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Revenue from operations	1345.07	70.33
Other Income	0.52	0.00
Total Income (i)	1345.59	70.33
Cost of Material Consumed	1236.15	122.68
Purchase of Stock-in-Trade	2.02	-
Changes in inventories of Finished Goods & Work-in-Progress	-106.86	-55.49
Employee Benefit expenses	277.32	66.07
Finance Costs	1.54	0.04
Depreciation and amortization expenses	62.28	41.67
Other Expenses	177.01	48.68
Total Expenses(ii)	1521.96	214.45
Profit/(loss) before tax (i-ii-iv)	176.37	144.12
Total tax expenses (iv)	45.72	37.47
Profit/(Loss) (v=iii-iv)	-130.65	-106.65
Total comprehensive income/(loss)		
Attributable to non-controlling interests	64.02	-52.26
Dividends paid to non controlling interests	-	-

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

Summarised Statement of Assets and Liabilities

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Investories and cash and cash equivalents (current)	602.10	270.98
Trade receivables (current)	2.12	27.19
Other assets (current)	218.60	124.73
Property, plant and equipment (non current)	371.04	347.99
Other assets (non-current)	31.36	37.57
Total (A)	**1287.24**	**817.46**
Trade payables (current)	635.58	232.60
Other liabilities (current)	153.41	12.61
Other liabilities (non-current)	57.29	0.91
Total (B)	**846.28**	**246.11**
Total equity(A-B)	**440.93**	571.35
Attributable to:		
Equity holders of Parent Company	**224.87**	**291.39**
Non-controlling interest	**216.06**	**279.96**

Summarised Statement of Cash Flows:

Cash Flows	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Operating	53.05	(774.66)
Investing	-94.85	(369.74)
Financing	55.00	678.91
Net increase/(decrease) in cash and cash equivalents	13.19	14.33

59 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements

The Board of directors recommended in its meeting held as on 11th March, 2023 following :
1. Increase the authorised share capital from existing Rs. 5,500 Lakhs divided into 5,50,00,000 equity shares of Rs. 10 each to Rs. 6,100 Lakhs divided into 6,10,00,000 equity shares of Rs. 10 each.
The shareholders of the Company approved above recommendation in its Extra Ordinarily General Meeting dated 6th April, 2023

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2023

60 OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property

(ii) The Group has not traded or invested in Crypto currency or Virtual Currency

(iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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 Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(iv) The Group has 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

(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

(v) The Group has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period 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)

(vi) The Group is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules 2017

(vii) The Group has not revalued its Property, Plant and Equipment and ROU Assets during the year, hence, regulatory information disclosure is not applicable for the Group.

(viii) The Group has not revalued its Intangible Assets during the year, hence, regulatory information disclosure is not applicable for the Group

(ix) Additional Regulatory Information pursuant to amendment in Schedule III of the Companies Act, 2013 dated 24.03.2021 has been given to the extent applicable to the Group

(x) The Group does not have any relationship/transaction with Struck off Companies and has not entered into any transactions with struck off companies in the current and previous reporting period

(xi) The Group is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.

61 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

62 MISCELLANEOUS

(i) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.

(ii) Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustments, if any.

(iii) Absolute amounts less than Rs.500 are appearing in the Financial Statements as '0.00' due to presentation in Lakhs

ANNUAL REPORT

For Financial Year 2021-22

Prostarm Info Systems Limited

PROSTARM
Power Redefined

NOTICE

Notice is hereby given that the **15th** Annual General Meeting of the Members of **"Prostarm Info Systems Limited"** will be held on Tuesday the 30th day of September 2022 at 10:30 A.M. at Registered Office of the company at P lot No. EL-35 TTC MIDC, Mahape Navi Mumbai 400701 transact the following business(s):-

ORDINARY BUSINESS:

1. **Adoption of Accounts:**

   a. To receive consider and adopt the Audited Standalone Financial Statements for the financial year ended on 31st March 2022 together with the reports of the Board Of Directors & Auditors

   "RESOLVED THAT pursuant to section 102(2)(a) and 114 of the Companies Act 2013 the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2022 including the Audited Balance Sheet as at March 31, 2022, the Statement of Profit & Loss for the year ended on that date and Cash Flow Statement for the year ended 31st March, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

   b. To receive consider and adopt the Audited Consolidated Financial Statements for the financial year ended on 31st March 2022 together with the Report of the Auditors thereon

   "RESOLVED THAT pursuant to section 102(2)(a) and 114 of the Companies Act 2013 the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2022 including the Audited Balance Sheet as at March 31, 2022, the Statement of Profit & Loss for the year ended on that date and Cash Flow Statement for the year ended 31st March, 2022 along with the reports of the Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. **Re-appointment of directors liable to retire by rotation**

   a. To appoint Mr. Tapan Ghose (DIN: 01739231), Managing Director of the Company who retires by rotation and being eligible, has offered himself for re-appointment as the Managing Director and in this regard, members are requested to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to section 152(6) of the Companies Act 2013 members be and here by appoint of Mr. Tapan Ghose (DIN: 01739231), who retires by rotation be as the Managing Director of the company liable to retire by rotation;

   RESOLVED FURTHER THAT, any one of the Director be and is hereby authorized to make entry in Register of Directors and such other documents, as may be required from time to time and to do and perform all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary on behalf of the Company."

   b. To appoint Mr. Vikas Agarwal (DIN: 01940262), who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to section 152(6) of the Companies Act 2013 members be and here by appoint Mr. Vikas Agarwal (DIN: 01940262), who retires by rotation be as a director of the company liable to retire by rotation."

RESOLVED FURTHER THAT, any one of the Director be and is hereby authorized to make entry in Register of Director and such other documents, as may be required from time to time and to do and perform all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary on behalf of the Company."

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PROSTARM INFO SYSTEMS LIMITED

Vikas Agarwal
DIN: 01940262
Chairman

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint proxy / proxies to attend and vote instead of himself and the proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than 48 hours before the commencement of the meeting. a proxy form is sent herewith.

2. The relevant records/ registers of the Company will remain open for inspection of members as per the provisions of the Companies Act, 2013 and can be inspected at the Registered Office.

3. Members are requested to notify any change in their address, mandates etc., to update the records of the company.
4. Explanatory Statement pursuant to provisions of section 102 of the Companies Act, 2013 is attached and forms the part of this notice.

5. Corporate members intending to send their authorised representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting

6. Copy Forwarded to a) All Directors
b) M/s Mansaka Ravi & Associates, Statutory

MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	**U31900MH2008PLC368540**
Name of the company	**PROSTARM INFO SYSTEMS LIMITED**
Registered office:	**Plot No. EL-35 TTC MIDC, Mahape Navi Mumbai, Mumbai Maharshtra 400710 India**
Name of the member	
Registered address	
E-mail Id:	
Folio No/ Client Id:	

I/We, being the member (s) of ……shares of the above named company, hereby appoint:

1 Name ……..
Address……..
Email Id……..
Signature ……..
OR failing him

2 Name ……..
Address……..
Email Id……..
Signature ……..
OR failing him

3 Name ……..
Address……..
Email Id……..
Signature ……..
OR failing him

4 Name ……..
Address……..
Email Id……..
Signature ……..

S.No.	Resolution(s)	I/We Assent to the Resolution	I/We Dissent to the Resolution
		For	Against
1.	**"RESOLVED THAT** pursuant to section 102(2)(a) and 114 of the Companies Act 2013 the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2022 including the Audited Balance Sheet as at March 31, 2022, the Statement of Profit & Loss for the year ended on that date and Cash Flow Statement for the year ended 31st March, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."		

2	**"RESOLVED THAT** pursuant to section 102(2)(a) and 114 of the Companies Act 2013 the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2022 including the Audited Balance Sheet as at March 31, 2022, the Statement of Profit & Loss for the year ended on that date and Cash Flow Statement for the year ended 31st March, 2022 along with the reports of the Auditors thereon laid before this meeting, be and are hereby considered and adopted."		
3.	**"RESOLVED THAT** pursuant to section 152(6) of the Companies Act 2013 members be and here by appoint of Mr. Tapan Ghose (DIN: 01739231), who retires by rotation be as the Managing Director of the company liable to retire by rotation; **"RESOLVED FURTHER THAT,** any one of the Director be and is hereby authorized to make entry in Register of Directors and such other documents, as may be required from time to time and to do and perform all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary on behalf of the Company."		
4.	**"RESOLVED THAT** pursuant to section 152(6) of the Companies Act 2013 members be and here by appoint Mr. Vikas Agarwal (DIN: 01940262), who retires by rotation be as a director of the company liable to retire by rotation." **"RESOLVED FURTHER THAT,** any one of the Director be and is hereby authorized to make entry in Register of Director and such other documents, as may be required from time to time and to do and perform all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary on behalf of the Company."		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **17th Annual General Meeting** of members of the company, to be held on **Tuesday the 30th day of November 2021 at 04:30 P.M.** at Admin Office at **Khasra No. 1281/1, Hill Top Industrial Estate, Near EPIP, Phase-I, Jharmajri, District Solan, Baddi, Himachal Pradesh- 173205, India** and at any adjournment thereof in respect of such resolutions as are indicated below.

Please put a 'Tick' in the Box in the appropriate column against the resolution. If you leave the 'For' or 'Against' column blank against the resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate

Signed this_____ day of_____ 2022

Affix Revenue Stamp of Re. 1 here

Signature of Shareholder

Signature of Proxy holder(s)

NOTES:-

1. *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*
2. *A proxy need not to be a member of the Company.*
3. *A person can act as a proxy on behalf of member not exceeding fifty and holding in the aggregate not more than 10% of the total share capital carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.*
4. *In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders shall be stated.*
5. *For resolutions, explanatory statement and notes please refer to the notice of extra ordinary general meeting.*
6. *Please complete all the details including details of member.*

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

I / We hereby record my/our presence at **15th Annual General Meeting** of the Members of **"PROSTARM INFO SYSTEMS LIMITED"** on **Friday the 30th Day of Septemer, 2022 at 10:00 A.M.** at the Registered Office situated at **Plot No. 35 Electronic Zone TTC MIDC Navi Mumbai 400710 Maharashtra(India).**

Registered Folio No. / DP ID No. / Client ID No……

Name of the Member…….

No. of Shares held…….....

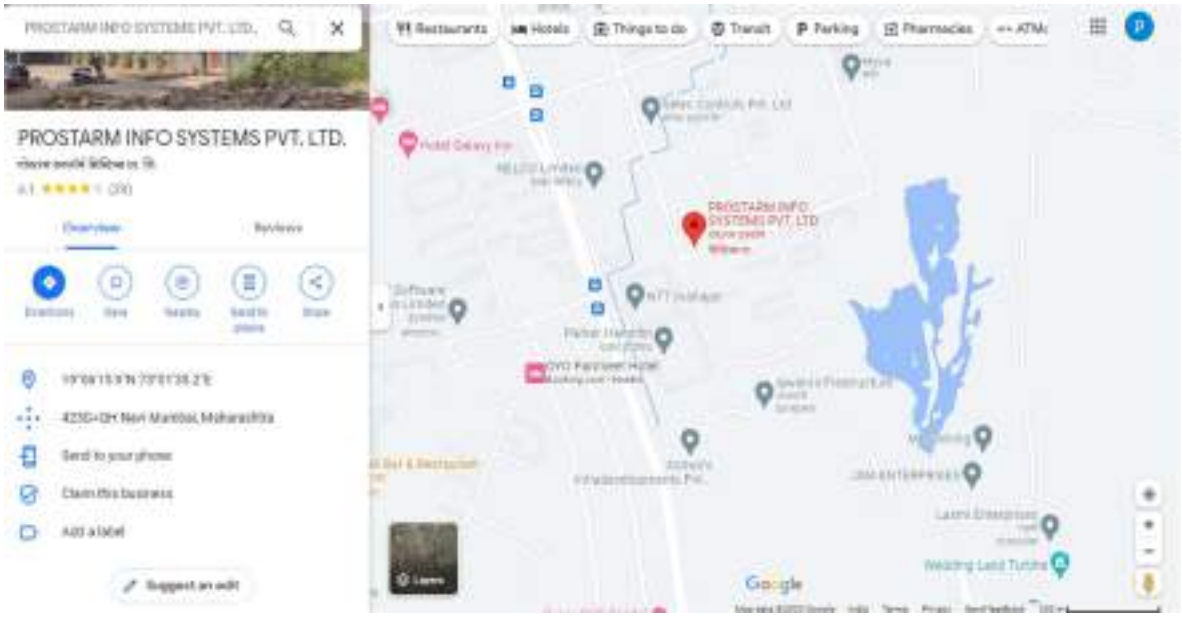
Name of the Proxy holder……
(To be filled if the Proxy attends instead of the Member)

_____
Member's / Proxy Signatures
(To be signed at the time of handing over this slip)

Notes: -

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No./DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.

Map for reaching venue of 15th Annual General Meeting of Prostarm Info Systems Limited to be held on 30th September 2022 at 10:00 a.m. situated at Plot No. 35 Electronic Zone TTC MIDC Navi Mumbai 400710 Maharashtra (India).



DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present the 15th Annual Report on business and operations of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2022.

1. OPERATIONS WORKING RESULTS AND PROSPECTUS:

Pursuant to the Schedule III of the Companies Act 2013 it has been made mandatory for the companies having total income more than 100 crores to round off their figures to the nearest hundreds, thousands, lakhs or millions or decimal thereof. The Board of directors of the Company after due consideration have decided to round off its figures in nearest lacs.

The Standalone and consolidated Financial Results for the financial year ended on March 31, 2022 and the corresponding figures for the last year are as under:

Particulars	**Standalone**		**Consolidated**	
	31.03.2022	**31.03.2021**	**31.03.2022**	**31.03.2021**
Revenue from operations	17113.26	13100.07	17130.73	13100.07
Other Income	74.04	11.81	74.03	11.81
Total Revenue	17187.30	13111.88	17204.77	13111.88
Total Expense before Depreciation, Interest & Taxes				
Profit Before Depreciation, Interest & Taxes	1821.94	1141.66	1720.45	1141.66
Finance Cost	80.70	30.11	80.74	30.11
Depreciation and Amortization	52.02	32.29	93.69	32.29
Profit Before Extraordinary Items and Tax	1689.23	1079.26	1546.02	1079.26
Extraordinary Items	46.01	(47.87)	46.01	(47.87)
Profit Before Tax	1643.22	1127.13	1500.01	1127.13
Provision for Current Tax	427.64	308.80	427.64	308.80
Deferred Tax	16.13	-11.05	(21.11)	(11.05)
Income Tax (Previous Year)	5.85	0.11	5.58	0.11
Profit/(Loss) for the Year	1193.60	829.28	1087.62	829.28
Earnings Per Share Basic Diluted	 13.07 13.07	 9.45 9.45	 12.73 12.73	 9.19 9.19

Note:

- Earnings per share is in absolute figures
- The consolidate figures includes the Financial performance of M/s ProstarM Energy Systems Private Limited (CIN: U29308PN2021PTC202708) subsidiary Company.
- Your Company reported net revenue from operations of Rs. 17113.26 Lakh during the F.Y. 2021-22 in comparison to Rs. 13100.07 Lakh during the F.Y. 2020-21 on standalone basis, thereby showing growth of 30.63%.
- The profit after tax grew by 43.93% to Rs. 1193.60 Lakh from Rs. 829.28 lakh recorded in the previous year.
- The consolidated net revenue from the operations for the F.Y. under review was Rs. 1087.62 lakh in comparison to Rs. 829.28 Lakh of the previous year. It has grown by 31.15%.

Comparison of the last three year's net profit to sales ratio is as follow:

Sr. No.	Year	Sales (Amount in Rs.)	Net Profit (Amount in Rs.)	Net profit to Sales ratio
1	2019-20	1,103,226,202 /-	69,220,622 /-	6.27
2	2020-21	1,310,006,843 /-	89,915,786 /-	6.86
3	2021-22	1,711,326,067/-	119,360,084/-	6.97

It is evident from the comparison above that there is continuous growth in the turnover and profitability of the company. The management is trying hard to control its cost along with improvement in better and quality products. This is expected to ensure improved profitability in the future years also.

2. TRANSFER TO RESERVES IN TERMS OF SEC 134 (3)(J) OF THE COMPANIES ACT, 2013

For the financial year ended 31st March 2022 the company has transferred profit of Rs. 1193.60 Lakh to its Retained Earnings Reserves and Rs. 5.08 Lakh to its other Comprehensive Income Reserve.

3. DIVIDEND:

- With a view to ploughing back of profit into the business and exploit more business opportunities no dividend was declared to equity shareholders during the year under review company.
- Further the Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend for the year under review.

4. CHANGES IN THE NATURE OF BUSINESS:

During the year under review, there is no change in the nature of business of the Company.

5. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

During the year under review the Company formed M/s ProstarM Energy Systems Private Limited (CIN: U29308PN2021PTC202708) as a wholly owned subsidiary Company for focusing more on manufacturing and development activities and achieve manufacturing excellence. Interest in M/s ProstarM Energy Systems Private Limited was acquired on 17.07.2021.

However later the % shareholding in M/s ProstarM Energy Systems Private Limited has been reduced to 51% w.e.f. 27.09.2021

There was no Joint Ventures (JV) or Associate Companies whose necessary information are required to be mentioned into this report

6. CAPITAL:

- During the financial year under review, there was no change in the Capital Structure of the Company.
- The Authorized Share Capital of the Company was Rs.14,00,00,000/- (Rupees Fourteen Crores only).
- The Issued, Subscribed and Paid-up Share Capital of the Company was Rs. 90,836,000/- (Rupees Nine Crore Eight Lac and Thirty-Six Thousand only) divided into 9,083,600 Equity Shares of Rs. 10/- each.

7. MATERIAL CHANGES AND COMMITMENTS DURING THE FINANCIAL YEAR:

The Company has invested in a wholly owned subsidiary in the name and style of M/s ProstarM Energy Systems Private Limited (CIN: U29308PN2021PTC202708).

8. MATERIAL CHANGES & COMMITMENTS OCCURRED TILL DATE FROM THE END OF FINANCIAL YEAR:

The Company has changed its accounting policy. Till the Financial Year 2020-21, its financial statements were drawn in accordance with Accounting Standards. From the F.Y. 2021-22, the financial statements shall be drawn in accordance with Ind AS.

Further the Company has disposed off its shares amounting to 49% of the voting rights in ProstarM Energy Systems Private Limited

9. BOARD OF DIRECTORS AND ITS COMMITTEES:

a) COMPOSITION OF BOARD

During the financial year 2021-22 following directors were associated with the company:

Sr. No.	Name and Address of Director	Din No./PAN	Designation
1.	Tapan Ghose	01739231	Managing Director
2.	Ram Agarwal	01739245 ADCPA8357R	CEO & Whole-Time Director
3.	Sonu Ram Agarwal	01920474	CFO & Whole Time Director
4.	Vikas Shyamsunder Agarwal	01940262	Chairman & Non-Executive Director
5.	Raghu Ramesh Thammannashastri	03331642	Whole Time Director-
6.	Nehal Kirti Gangar	00330438	Non-Executive, Independent Director
7.	Harsh Jodhani	08829270	Non-Executive, Independent Director
8.	Aniruddha Madhav Oke	00330438	Non-Executive, Independent Director

b) DIRECTORS RETIRE BY ROTATION

During the year under review, Mr. Raghu Ramesh Thammannashastri (DIN: 03331642) Whole Time Director and Mrs. Sonu Ram Agarwal (DIN: 01920474), Whole Time Director, were re-appointed as the Directors of the company pursuant to the provisions of section 152(6) of the Companies Act, 2013.

Further the term of Mr. Vikas Agarwal (DIN: 01940262), Non-Executive Director and Chairman of the Company and Mr. Tapan Ghose (DIN: 01739231), Managing Director of the Company are liable to retire by rotation and being eligible to be re-appointed. Both the Directors have offered themselves for re-appointment. The Board has recommended their re-election in the notice of annual general meeting.

Pursuant to Secretarial Standards – 2 on General Meetings, brief details of Mr. Vikas Agarwal, Non-Executive Director and Chairman of the Company and Mr. Tapan Ghose, Managing Director of the Company, are provided as an Annexure to the Notice of the Annual General Meeting

c) DIRECTORS OF THE COMPANY APPOINTED AND RESIGNED DURING THE YEAR AND UPTO THE DATE OF SIGNING OF THIS REPORT:

As on 31st March 2022 the Board of Directors of the Company comprises of Seven Directors, of which one is Non-Executive Director, two are Non-Executive Independent Directors, three are Whole-Time Directors and one Managing Director. The constitution of the Board of the Company is in accordance with the provisions of the Companies Act, 2013.

Further Mr. Ram Agarwal (DIN: 01739245) was appointed as an Executive Director on March 25, 2022. Mr. Aniruddha Oke (DIN: 00330438) was appointed as Non-Executive Independent Director on March 25, 2022.

Furthermore, Ms. Nehal Kirti Gangar (DIN: 07140342) Non-Executive Independent Director of the Company resigned from her office on March 21, 2022.

d) BOARD MEETINGS AND COMMITTEE MEETINGS:

The Board meets at regular intervals to consider and approve financial results, business policies and strategic proposals apart from other items of business.

During the year 18 meetings of the Board of Directors were held. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013. The details of the meetings are given in the Annexure I which forms part of this Report. The Company provides all the Board members the facility to participate the meetings of Board and Subcommittees through Video Conferencing / Other Audio-Visual Means.

Pursuant to the requirements of Schedule IV to the Act, a separate Meeting of the Independent Directors of the Company was held on March 21, 2022, and the Directors reviewed the matters enumerated under Schedule IV(VII)(3) to the Act. All the Independent Directors attended the said meeting.

e) DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013 with respect to the Directors' Responsibility Statement it is hereby confirmed that:

In the preparation of the annual accounts, the applicable accounting standards had been followed and there are no 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 Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

The Directors had prepared the annual accounts on a going concern basis;

The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

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.

f) INDEPENDENT DIRECTORS' DECLARATION

In pursuance of the provisions of Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company was required to appoint two independent directors on its Board.

Therefore, following persons were appointed as the independent directors of the Company:

1. Mr. Harsh Jodhani was appointed as Independent Director of the company with effect from 1st August 2020.
2. Mr. Aniruddha Mahadev Oke was appointed as Independent Director of the company with effect from 25th March 2022.
3. Mrs. Nehal Kirti Gangar resigned from the independent directorship of the Company, before the expiry of her tenue, on 21.03.2022 due to other professional occupancies. There were no material reasons other than inability to attend and monitor the conduct of company due to other professional occupancies.
4. The directors have submitted a declaration of independence which has been attached as Annexure II to this report.

g) PARTICULARS OF REMUNERATION DETAILS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Being unlisted public company, the provisions of Sec 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

h) DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE, NOMINATION & REMUNERATION COMMITTEE, STAKEHOLDER RELATIONSHIP COMMITTEE AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE AND VIGIL MECHANISM/ RISK MANAGEMENT COMMITTEE

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are applicable to the Company.

AUDIT COMMITEE

The Board of Directors constituted the Audit Committee in accordance with Section 177 of the Companies Act, 2013. The constitution of the Audit Committee as on 31.03.2022 is as follow:

1. Mr. Harsh Jodhani (DIN: 08829270), independent director of the Company is the Chairman of the Committee.

2. Mr. Aniruddha Madhav Oke (DIN: 00330438) independent director of the Company is the member of the committee.
3. Mr. Vikas Agarwal (DIN: 01940262) Non-Executive Director Cum Chairman of the Company is the member of the committee

NOMINATION AND REMUNERATION COMMITTEE

In pursuance of the provisions of Sec 178 (1) of the Company's Act, 2013, the Nomination and Remuneration Committee was constituted on 31.08.2020. The constitution of the Nomination and Remuneration Committee as on 31.03.2022 is as follow

1. Mr. Harsh Jodhani (DIN: 08829270), independent director of the Company is the Chairman of the Committee.
2. Mr. Aniruddha Madhav Oke (DIN: 00330438) independent director of the Company is the member of the committee.
3. Mr. Vikas Agarwal (Din: 01940262) Non-Executive Director Cum Chairman of the Company is the member of the committee

STAKEHOLDER RELATIONSHIP COMMITTEE

The provisions of Sec 178 (5) of the Companies Act, 2013 are not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

The CSR Committee of the Company as of 31.03.2022 comprises of 3 members. Mr. Tapan Ghose (Din: 01739231) Managing Director, Mrs. Sonu Ram Agarwal (Din: 01920474) Whole Time Director and CFO, Mr. Harsh Jodhani (Din: 08829270) Independent Director of the Company.

The committee met twice during the year under review on 08.04.2021 and 17.03.2022

INTERNAL COMPLAINT COMMITTEE

This committee has been formed in pursuance of the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013. The objective of this committee is to provide a platform to all the women employees (permanent, temporary, contractual and trainees) for redressal of their grievances in matters relating to sexual harassment. The Committee was formed on 21.03.2022. The composition of this committee as on 31.03.2022 is as follow:

1. Mrs. Sonu Ram Agarwal (Din: 01920474), Whole Time Director and CFO of the Company is the Chairman of the Committee.
2. Mr. Ram Agarwal Director & CEO of the Company has been appointed as the member of the Committee

i) PERFORMANCE EVALUATION

Pursuant to the provisions of the Sec 178 (2) of the Companies Act, 2013, annual evaluation of the performance of the Board, each individual Directors and Sub-committees of the Board was done by the Nomination And Remuneration Committee on the basis of structured questionnaire, formulated taking into consideration the criteria approved by the Nomination and Remuneration Committee.

Evaluation criteria of the Board was made based on the role played by the Board in Governance, overall functioning, evaluating strategic proposals, financial reporting process, internal controls and its effectiveness and review of risk management process.

The evaluation of individual Director was carried out based on various parameters such as participation in the Board and its Committee meetings, contribution towards strategic proposals, suggesting risk mitigation measures, putting in place internal controls, governance, leadership and talent development and managing external stakeholders.

Performance evaluation of various Sub- committees of the Board was carried out based on the criteria such as constitution, effective functioning of the Sub-committees as per the terms of reference, periodical suggestions and recommendations given by the Sub-committees to the Board etc.

In the meeting of Independent Directors held during the year, the members considered evaluation of the performance of the Chairman based on criteria such as giving guidance to the Board and ensuring the independence of the Board etc.

The performance of the Non- Independent Directors was also evaluated based on their contribution made to the growth of the Company, strategic initiatives and Board deliberations.

10. KEY MANAGERIAL PEROSNNELS OF THE COMPANY

Mr. Raghu Ramesh Thammannashastri DIN: 03331642), Whole-Time Director, Mr. Tapan Ghose (DIN: 01739231) Managing Director, Mr. Ram Agarwal (DIN: 01739245) CEO & Whole-Time Director and Ms. Sonu Agarwal (DIN: 01920474) Chief Financial Officer & Whole Time Director are the Key Managerial Personnel of the Company as on 31st March, 2022.

11. Change in Key Managerial Personnel :

During the year under review, Ms. Payal Jain (ACS: 48898) has resigned as Company Secretary of the Company w.e.f. 1st April 2021.

12. COPY OF ANNUAL RETURN:

The copy of Annual Return in prescribed Form MGT 7 pursuant to the provisions of Section 92 of the Act read with Rule 11 of the Companies (Management and administration) Rules, 2014 is available on the website of the Company viz. https://prostarm.com/investor-deck/.

13. PUBLIC DEPOSIT:

During the year under review your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 (including any modification(s) or re-enactment(s) for the time being in force).

14. STATUTORY AUDITORS AND THEIR REPORT:

The Board of Directors proposes to ratify the appointment Mansaka Ravi & Associates, Chartered Accountants, Navi Mumbai (Firm Registration Number: 015023C), as the Statutory Auditor of the Company to conduct the Statutory Audit and Tax Audit of the Company for the F.Y. 2022-23.

The Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company under sub-section (12) of section 143 other than those which are reportable to the Central Government.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

15. VIGIL MECHANISM POLICY:

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards the Company encourages the employees to raise their genuine concerns without fear of criticism. Therefore, it has built in and set up the Vigil Mechanism, under this mechanism all the employees and Directors of the Company are eligible to make disclosures in relation to matters concerning the Company.

We affirm that during the year under review, no employee or Directors were denied access to the Audit Committee. The Vigil Mechanism Policy is available on the website of the Company www.prostarm.com.

16. MAINTAINENCE OF THE COST RECORDS:

The provisions of Section 148(1) of the Companies Act, 2013, accordingly such accounts and records are not required to be maintained by the Company.

17. SECRETARIAL AUDITORS:

The provisions of Section 204 of the Companies Act, 2013, are not applicable and hence no Secretarial Auditor has been appointed by the Company.

18. INTERNAL AUDITORS:

The provisions of Section 138 of the Companies Act, 2013 are not applicable and hence no Internal Auditor has been appointed by the Company

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review

During the Financial year under reporting, the Company had transactions in the foreign exchange. It has imported raw material, Goods and spare parts worth Rs. 23,72,61,379/- and Capital Goods worth Rs. 10,21,950/-.

20. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Since the net profit of the Company has exceeded Rs. 5.00 Crore, the Company in pursuance of the provisions of Sec 135(5) has initiated its CSR spending. Accordingly, donations of Rs. 17,50,000/- were made during the financial year 2021-22 to Shri Jagabharti Education and Charitable Trust.

Sec 135 (9) of the Companies Act, 2013, exempts the company from formation of the CSR Committee.

21. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

According to section 134(5) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's Policies, safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial information.

The Company has well placed, proper and adequate Internal Financial Control (IFC) system which ensures that all assets are safeguarded, transactions are authorized, recorded and reported correctly.

22. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Your Company has not provided Loans, Guarantees under Section 186 of the Companies Act, 2013 during the Financial Year 2021-22.

The Company has invested the sum of ₹ 3,45,78,000 (Rupees Three Crore Forty-Five Lakh Seventy Eight Thousand Only) in Prostarm Energy Systems Limited, subsidiary of our company.

23. RELATED PARTY TRANSACTIONS:

All transactions entered with Related Parties for the year under review were on arm's length basis Further, there are no material related party transactions during the year under review with the Promoters, Directors and Key Managerial Personnel. Related Party Transactions are placed before the Audit Committee and the Board for review and approval on annual basis.

Form AOC -2 pursuant to clause (h) of Section 134(3) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished in Annexure -III and is attached to this report.

24. VARIOUS POLICIES ADOPTED BY THE COMPANY:

DIVIDEND POLICY

The Board of Directors of the Company has adopted a Dividend Policy which details the dividend philosophy of the

Company, the factors which are considered by the Board while recommending / declaring dividend, suggested band for proposing dividend payout, periodicity of dividend, circumstances in which special dividend is considered etc. The said policy is given in Annexure-IV to this report.

NOMINATION AND REMUNERATION POLICY

In terms of provisions of Section 178(3) of the Act, the Nomination and Remuneration Committee of the Company has formulated and recommended to the Board a policy, containing the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive/Non- Executive) and it highlights the remuneration for the Directors, Key Managerial Personnel and other employees, ensuring that it covers the matters mentioned in Section 178(4) of the Act. Nomination, Remuneration and Evaluation Policy approved by the Board forms part of this Report as Annexure-V.

CSR POLICY

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility (CSR) Committee and framed a CSR policy which details the programs / activities that can be carried out under various program heads and the same is available on the website of the Company www.prostarm.com. The CSR policy also forms part of this report as Annexure-VI.

RISK MANAGEMENT POLICY

Risk Management policy provides a structured, consistent, and continuous process across the whole organization for identifying, assessing, deciding on mitigations and reporting on the opportunities and threats that may affect the achievement of its strategic objectives.

The Company has formulated Enterprise Risk Management policy in accordance with the guidelines provided under the Charter of the Risk Management Committee of the Board of Directors. Since the company is in the process of listing, provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have also been complied with while formulating the Enterprise Risk Management policy.

The Company has enhanced Enterprise Risk Management Charter and Policy to institutionalize a formal risk management function and framework consisting of Risk Management Process and Risk Governance and Communication Structure.

The risk management policy as approved by the Board of Directors of the Company as been attached to this report as Annexure VII

25. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment as per the guidelines provided in the policy. All women employees (permanent, temporary, contractual and trainees) are covered under this policy and it has been circulated amongst the employees of the Company and the same is exhibited on the notice board of all the business locations/ divisions of the Company. During the year under review, the Company has not received any complaint.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

27. RISK AND AREAS OF CONCERN:

The major risks faced by your Company are on account of volatility in the prices of its raw materials and foreign exchange rates. The Company has laid down a well-defined Risk Management Policy to mitigate its risks, covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is carried out by the employees designated by Board to identify, evaluate, manage and monitor both business and non-business risk. In this regard, your Company continues to exercise prudence in its inventory control and hedging policies. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

The following are the key risks faced by the Company and mitigation plans for each of those risks:

RISK	RISK DESCRIPTION	MITIGATION PLAN
COMPETITION RISK	Company is engaged in dealing in products related to solar energy, there are many company who are also in same category of business which may affect the company's market share and its revenue.	Company identifies regularly upcoming changes in the area of solar energy and try to mitigate competition having expansion of new facilities equipped with better technologies and know-how which lessen risk of competition

REGULATORY RISK	Company has to comply with extant laws and regulations prevailing in the country of its operations. These regulation can affect the development, manufacturing, approval, marketing and distribution of its products. Changes in the country's laws or regulations also throw new challenges of compliance.	Company has established a strong quality assurance mechanism and compliance monitoring network to ensure compliance. It also organizes regular training for its employees to update them on new developments.
GLOBAL ECONOMIC VOLATILITY RISK	Company has business dealings in few foreign countries. Each of these markets presents a different economic and political risk along with the ever present threat of natural disasters.	Company does not have a presence in foreign markets. There are no exports in the year under review. Therefore, it is not much affected by global economic Volatility
FOREIGN EXCHANGE RISK	The Company expends a part of its revenue in foreign exchange for importing, thus exposing it to the volatility in the exchange rates. This can have an adverse effect on its earnings.	The Company does meticulous monitoring of foreign exchange volatility and works to mitigate risk.

28. <u>COMPLIANCE WITH THE SECRETARIAL STANDARDS:</u>

The Company has complied with the provisions of Secretarial Standard -1 (For Meeting of Board of Directors) and Secretarial Standard -2 (For General Meetings)

29. <u>ACKNOWLEDGMENTS</u>:

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year Your Directors sincerely convey their appreciation to Customers, Shareholders, Bankers, Business Associates, regulatory and Government authorities for their continued support and cooperation.

For and on behalf of Board of Directors
PROSTARM INFO SYSTEMS LIMITED

SD/-	**SD/-**	**SD/-**
Vikas Agarwal	**Tapan Ghose**	**Ram Agarwal**
Chairman & NED	**Managing Director**	**Director & CEO**
(DIN: 01940262)	**(DIN: 01739235)**	**DIN: 01739245)**

SD/-

Sonu Ram Agarwal
WTD & CFO

DIN: 01920474

Date: 03.09.2022

ANNEXURE-I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Prostarm Energy Systems Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	₹ 6,78,00,000
5.	Reserves & surplus	(₹ 1,05,97,000)
6.	Total assets	₹ 8,17,23,000
7.	Total Liabilities	₹ 8,17,23,000
8.	Investments	₹ 0
9.	Turnover	₹ 70,33,000
10.	Profit before taxation	(₹ 1,43,21,000)
11.	Provision for taxation	(₹ 37,24,000)
12.	Profit after taxation	(₹ 1,05,97,000)
13.	Proposed Dividend	₹ 0
14.	% of shareholding	51

Part "B": Associates and Joint Ventures

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

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			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

For and on behalf of Board of Directors
PROSTARM INFO SYSTEMS LIMITED

SD/-	**SD/-**	**SD/-**
Vikas Agarwal	**Tapan Ghose**	**Ram Agarwal**
Chairman & NED	**Managing Director**	**Director & CEO**
(DIN: 01940262)	**(DIN: 01739235)**	**DIN: 01739245)**

SD/-

Sonu Ram Agarwal
WTD & CFO
DIN: 01920474

Date: 03.09.2022
Place: Mumbai

Annexure II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Giving back to the society is embedded in the value system of Prostarm and we believe and aim to bring about a positive change in the nation. For the past 1 decade, ProstarM has been at the forefront in conducting impactful camps and driving numerous workshops for different sections of the Society. As an integral part of our commitment to Good Corporate Citizenship, we at ProstarM Info Systems Limited, believe in actively assisting in improvement of the quality of life of people in our communities. We believe, we not only exist for doing good business but also, for ensuring the betterment of the society.

We actively contribute to ensure that the people living in local areas around our business operations lead a good quality life. Towards achieving long-term stakeholder value, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and the marginalized.

The CSR Policy ('the Policy') of the Company as approved by the Board is available on the Company's website. The Company's CSR is in alignment with the initiatives undertaken by it.

For details of the CSR Policy along with projects and programs, kindly refer to the following weblink: www.prostarm.com

2. Composition of CSR Committee:

Name of Members	**Designation**	**Category**	**No. of Committee Meetings**	
			Held	**Attended**
Ms. Sonu Agarwal	Chairman	CFO & Whole-Time Director	2	2
Mr. Tapan Ghose	Member	Managing Director	2	2
Mr. Harsh Jodhani	Member	Non-executive, Independent Director	2	2

3. Web-link

Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are placed on the website of the Company whose we-link is as follows:
www.prostarm.com

4. Impact Assessment

As the total outlay of the CSR does not exceeds Rs. 10,00,00,000/- (Rupees Ten Crores Only) in preceding three financial year and none of the independent project with outlay of Rs. 1,00,00,000/- (Rupees One Crore Only) is completed during last one year the company is not required to get its project assessed from independent agency.

5. Details of the amount available for set off

There was no excess amount available from any previous financial years which could be set off during the year under review under the provisions of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

6. Calculations

Sr. No.	Particulars	Amount
1.	Calculation of Net Profit under section 198 of Companies Act 2013	
	Net Profit for FY 2018-19	4,73,63,400
	Net Profit for FY 2019-20	9,20,93,290
	Net Profit for FY 2020-21	120965741
	Average Net Profit (Sum of profit available for CSR expenditure / 3	8,68,07,477
2.	CSR Expenditure	
a.	2% of Average Net Profit	17,36,150
b.	Surplus arising out of CSR project or programmes or activities of the previous financial years	Nil
c.	Amount required to be set off for the financial year, if any	12,395.27
d.	Total CSR obligation for the financial year (7a+ 7b-7c).	17,23,754.73

3. (A) CSR amount spent or unspent for the financial year

Particulars	Amount
Total Amount Spent for the Financial Year	17,50,000
Total Amount (in Rs.) transferred to Unspent CSR Account as per section 135(6).	0

Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). Name of Fund: Amount: Date of Transfer:	 Shri Jagatbharti Education and Cheritable Trust 17,50,000/- 16/03/2022
Total unspent amount	0

(B) Details of CSR amount spent against ongoing projects for the financial year:

(C) Details of CSR amount spent against other than ongoing projects for the financial year:

1)	2)	3)	4)	5)		6)	7)	8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the Project		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing Agency	
				State.	District			Name	CSR registration number.
1	Vocal Training for reaching unpreached	special education	No	Gujrat	Surendranagar	17,50,000	No	Shri Jagatbharti Education and Cheritable Trust	CSR00007065

(D) Amount spent in administrative overheads:

(E) Amount spent on Impact Assessment, if applicable: NA

(F) Total amount spent for the Financial Year (8b+8c+8d+8e)

(G) Excess amount for set off, if any

Sl No.	Particulars	Amount (In INR.)
i.	Two percent of average net profit of the company as per section 135(5)	17,36,150
ii.	Total amount spent for the Financial Year	17,50,000

iii.	Excess amount spent for the financial year [(ii)-(i)]	13,850
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	13,850

9) (A) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.
	2020-21	Nil	11,70,000	0	0	0

(B) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

a.	b.	c.	d.	e.	f.	g.	h.	i.
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was concerned	Project Duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (In INR)	Cumulative amount spent at the end of reporting Financial Year (In Rs.)	Status of project Implementing
	Total							

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

For and on behalf of Board of Directors
PROSTARM INFO SYSTEMS LIMITED

SD/-	**SD/-**	**SD/-**
Vikas Agarwal	**Tapan Ghose**	**Ram Agarwal**
Chairman & NED	**Managing Director**	**Director & CEO**
(DIN: 01940262)	**(DIN: 01739235)**	**DIN: 01739245)**

SD/-

Sonu Ram Agarwal
WTD & CFO
DIN: 01920474

Date: 03.09.2022

Annexure III

Form No. AOC-2

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and* Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

Particulars	Amount
Name(s) of the related party and nature of relationship:	
Nature of contracts / Arrangements / transactions	
Duration of the contracts / arrangements / transactions:	
Salient terms of the contracts or arrangements or transactions including the value, if any:	
Justification for entering into such contracts or arrangements or transactions	
Date of approval by the Board:	
Amount paid as advances, if any:	
Date of special resolution as required under section 188 (1):	

2. Details of material contracts or arrangement or transactions at arm's length basis:

i. Appointment in place of Profit:

Particulars	Amount
Name(s) of the related party and nature of relationship:	Mrs. Parvati Agarwal
Nature of contracts /Arrangements / transactions	Appointment in place of profit
Duration of the contracts / arrangements / transactions:	1 year
Salient terms of the contracts or arrangements or transactions including the value, if any:	6,00,000/-
Date(s) of approval by the Board, if any:	08.04.21
Amount paid as advances, if any	Nil

ii. Appointment in place of Profit:

Particulars	Amount
Name(s) of the related party and nature of relationship:	Mr. Santosh Agarwal
Nature of contracts /Arrangements / transactions	Appointment in place of profit
Duration of the contracts / arrangements / transactions:	1 year
Salient terms of the contracts or arrangements or transactions including the value, if any:	6,00,000/-
Date(s) of approval by the Board, if any:	08.04.21
Amount paid as advances, if any	Nil

iii. Appointment in place of Profit:

Particulars	Amount
Name(s) of the related party and nature of relationship:	Mrs. Jayanti Ghose
Nature of contracts /Arrangements / transactions	Appointment in place of profit
Duration of the contracts / arrangements / transactions:	1 year
Salient terms of the contracts or arrangements or transactions including the value, if any:	6,00,000/-
Date(s) of approval by the Board, if any:	08.04.21
Amount paid as advances, if any	Nil

iv. Leasing of Property:

Particulars	Amount
Name(s) of the related party and nature of relationship:	Mr. Ram Agarwal
Nature of contracts /Arrangements / transactions	Leasing of property
Duration of the contracts / arrangements / transactions:	Unless mutually terminated
Salient terms of the contracts or arrangements or transactions including the value, if any:	2,40,000/-
Date(s) of approval by the Board, if any:	08.04.21
Amount paid as advances, if any	Nil

v. Acquisition of Asset:

Particulars	Amount
Name(s) of the related party and nature of relationship:	ProstarM Energy Systems Private Limited
Nature of contracts /Arrangements / transactions	Acquisition of Asset by way of Investment in Share Capital
Duration of the contracts / arrangements / transactions:	Unless disposed off
Salient terms of the contracts or arrangements or transactions including the value, if any:	3,45,78,000/-
Date(s) of approval by the Board, if any:	08.04.21
Amount paid as advances, if any	Nil

For and on behalf of Board of Directors
PROSTARM INFO SYSTEMS LIMITED

SD/- **SD/-** **SD/-**

Vikas Agarwal **Tapan Ghose** **Ram Agarwal**
Chairman & NED **Managing Director** **Director & CEO**
(DIN: 01940262) **(DIN: 01739235)** **DIN: 01739245)**

SD/-

Sonu Ram Agarwal
WTD & CFO
DIN: 01920474

Date: 03.09.2022

ANNEXURE IV

Details of Board and Committee Meetings

A. BOARD MEETINGS HELD DURING THE F.Y. 2021-22

Date of meeting	DAY	Vikas Agarwal	Tapan Ghose	Sonu Ram Agarwal	Raghu R Thammanna shastri	Ram Agarwal as CEO	Harsh Jodhani	Nehal Kirti Gangar
08.04.2021	Tuesday	P	P	P	A	P	A	A
16.08.2021	Monday	P	P	P	A	P	A	A
26.10.2021	Tuesday	P	P	P	A	P	A	A
01.11.2021	Monday	P	P	P	P	P	P	P
07.12.2021	Tuesday	P	P	P	A	P	A	A
07.01.2022	Friday	P	P	P	A	P	A	A
17.01.2022	Monday	P	P	P	A	P	A	A
24.01.2022	Monday	P	P	P	A	P	A	A
01.02.2022	Tuesday	P	P	P	A	P	A	A
07.02.2022	Monday	P	P	P	A	P	A	A
10.02.2022	Thursday	P	P	P	A	P	A	A
18.02.2022	Friday	P	P	P	A	P	P	P
28.02.2022	Monday	P	P	P	P	P	P	P
01.03.2021	Tuesday	P	P	P	P	P	P	P
07.03.2022	Monday	P	P	P	A	P	A	A
14.03.2022	Monday	P	P	P	A	P	A	A
17.03.2022	Thursday	P	P	P	A	P	A	A
21.03.2022	MONDAY	P	P	P	A	P	A	A

ATTENDANCE OF EACH DIRECTOR AT THE MEETING OF THE BOARD AND LAST ANNUAL GENERAL MEETING (AGM).

During the year under review, the Board of Directors met 18 times. Details of attendance of Directors at the Board Meetings and AGM held are given below:

NAME OF DIRECTOR	Designation	No. of Board Meetings entitled to attend as director	ATTENDANCE AT	
			Board Meetings	AGM held on 30.11.2021
Vikas Shyamsunder Agarwal	Director	18	18	yes
Tapan Ghose	Director	18	18	yes
Sonu Ram Agarwal	Director	18	18	yes
Raghu Ramesh Thammannashastri	Director	18	3	yes
Harsh Jodhani	Director	18	4	yes
Nehal Kirti Gangar	Director	18	4	yes
Ram Agarwal	CEO	0		Yes, as CEO
Aniruddha Madhav Oke	N.A.	N.A.	N.A.	N.A.

B. AUDIT COMMITTEE MEETINGS HELD DURING THE F.Y. 2021-22

DATE OF MEETING	DAY	HARSH JODHANI	NEHAL KIRTI GANGAR	VIKAS AGARWAL
14.08.2021	Saturday	P	P	P
30.10.2021	Saturday	P	P	P

C. CSR COMMITTEE MEETINGS HELD DURING THE F.Y. 2021-22

Date of meeting	DAY	Harsh Jodhani	Sonu Ram Agarwal	Tapan Ghose
14.08.2021	**Saturday**	**P**	**P**	**P**
30.10.2021	**Saturday**	**P**	**P**	**P**

D. NOMINATION AND REMUNIRATION COMMITTEE HELD DURING THE F.Y. 2021-22

DATE OF MEETING	DAY	HARSH JODHANI	NEHAL KIRTI GANGAR	VIKAS AGARWAL
30.10.2021	Saturday	P	P	P

E. INDEPENDENT DIRECTOR'S MEETING

SR. NO.	DATE OF MEETING	DAY	HARSH JODHANI	NEHAL KIRTI GANGAR
1	21.03.2022	MONDAY	P	P

ANNEXURE V

DIVIDEND POLICY

PREAMBLE

Distribution of profit by a Company among its shareholders is termed as payment of Dividend. A Company may either distribute, entire profits earned by it, among its shareholders or distribute a certain percentage of its profit and retain the balance in business for purposes like expansion, diversification and inorganic investments.

A formal dividend policy, helps the Board of a Company, to arrive at a balanced dividend pay-out ratio, taking into account, factors such as profit made during the relevant Financial Year, expansion programmes, other strategic plans etc.

OBJECTIVE OF THE POLICY

This policy formulated by the Board of Directors ("the Board") of Prostarm Info Systems Ltd., ("the Company") will act as an aid to declare dividend and its pay-out by the Company in compliance with the provisions of Companies Act, 2013 ("the Act") (including any statutory re-enactment(s) made from time to time) read with applicable rules framed thereunder, as may be in force for the time being.

The objective of the policy is to ensure a regular dividend income for the shareholders and long-term capital appreciation for all the stakeholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profit retained in the business for various purposes. The Board, will refer to this policy, while declaring / recommending dividend and would endeavour to maintain a consistent approach to dividend pay-out plans and also provide greater clarity on the dividend pay-out philosophy of the Company.

FINAL DIVIDEND

Payment of dividend which is approved by the shareholders of a Company in their Annual General Meeting, based on the recommendation of Board of Directors, subsequent to adoption of audited annual financial statements of a Financial Year is the final dividend for that particular Financial Year.

PROCESS FOR APPROVAL OF PAYMENT OF FINAL DIVIDEND

- Board to recommend quantum of final dividend payable to shareholders in its meeting in line with this Policy;
- Based on the profits arrived at as per the audited financial statements;
- Shareholders to approve in Annual General Meeting;
- Once in a Financial Year.

INTERIM DIVIDEND

The Board of the Company may declare interim dividend during a Financial Year, based on the profits of any particular quarter or half year or in exceptional circumstances.

PROCESS OF APPROVAL OF PAYMENT OF INTERIM DIVIDEND

- Board may declare Interim Dividend at its discretion in line with this Policy;
- Based on profits arrived at as per quarterly (or half yearly) financial statements including exceptional items;
- One or more times in a Financial Year.

DECLARATION OF DIVIDEND

The divided whether final or interim shall be declared in accordance with and subject to the provisions of Sec 123 of the Companies Act, 2013 Subject to the provisions of the Act Dividend shall be declared or paid only out of:

i. **Current Financial Year's profit:**
   a) after providing for depreciation in accordance with law and

ii. **The profits for any previous Financial Year(s):**
   a) after providing for depreciation in accordance with law; and Remaining undistributed; or

iii. **Out of i) & ii) both.**

BEFORE DECLARING THE DIVIDEND, THE BOARD SHALL CONSIDER THE FOLLOWING RESTRICTIONS IMPOSED BY THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER

- In computing profits any amount representing unrealized gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded.
- no dividend shall be declared or paid by a company from its reserves other than free reserves.
- no dividend shall be declared or paid by a company unless carried over previous losses and depreciation not provided in previous year or years are set off against profit of the company for the current year.
- The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.
- Dividend shall be paid only to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash, cheque or warrant or in any electronic mode.
- Dividend shall be paid only after compliance of the provisions of Sec 73 and 74 of the Companies Act, 2013
- The Board may, while declaring or recommending Dividend, transfer to reserves such amount as may be considered appropriate. However, transfer of amount to reserves, before declaring or recommending Dividend is not mandatory, as per the provisions of the Act.

- The Board may, at its discretion, declare a Special Dividend under certain circumstances such as extraordinary profits from sale of investments.

WHERE, OWING TO INADEQUACY OR ABSENCE OF PROFITS IN ANY FINANCIAL YEAR, IF THE BOARD PROPOSES TO DECLARE DIVIDEND OUT OF THE ACCUMULATED PROFITS EARNED BY THE COMPANY IN PREVIOUS YEARS AND TRANSFERRED BY THE COMPANY TO THE FREE RESERVES, SUCH DECLARATION OF DIVIDEND SHALL NOT BE MADE IN THE EVENT OF INADEQUACY OR ABSENCE OF PROFITS IN ANY YEAR, A COMPANY MAY DECLARE DIVIDEND OUT OF FREE RESERVES SUBJECT TO THE FULFILLMENT OF THE FOLLOWING CONDITIONS, NAMELY:-

- The rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year:
  Provided that this sub-rule shall not apply to a company, which has not declared any dividend in each of the three preceding financial year.
- The total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of its paid-up share capital and free reserves as appearing in the latest audited financial statement.
- The amount so drawn shall first be utilised to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared.
- The balance of reserves after such withdrawal shall not fall below fifteen per cent of its paid up share capital as appearing in the latest audited financial statement.

FACTORS TO BE CONSIDERED WHILE DECLARING OR RECOMMENDING DIVIDEND

While declaring or recommending Dividend, the Board shall consider, the external and internal factors and arrive at an optimum percentage for distributing the profits of the Company.

The following external factors shall be considered by the Board:

- Socio-Political and Economic condition of the Country and the world as a whole,
- Overall Business and market conditions
- Industry wise Business and market conditions

The following internal factors shall be considered by the Board:

- The present and future capital requirements for both existing and new units,
- Business acquisition plans.
- Any other matters that the Board may deem fit.

If the conditions are not favorable, the Board may decide to retain larger part of profits to build up reserves. The Board may also consider the restrictions imposed by the Act with regard to declaration of Dividend.

DIVIDEND RANGE

The Company aims in ensuring sustainable wealth creation for its shareholders and with this objective, would distribute an optimum level of profits among the shareholders and retain the balance for meeting

the expansion requirements. The Board will endeavor to maintain a Dividend pay-out in the range of 15-25% of the Company's Profit After Tax on standalone financials.

The Board may, at its discretion, consider declaring or recommending special dividends, at times, when the Company has huge cash surpluses, which is not deployed or earmarked for expansion programmes or makes extraordinary profits, from sale of assets or investments.

REVIEW

The Board may review this policy on periodical basis, considering various external and internal factors.

ANNEXURE VI

NOMINATION & REMUNERATION POLICY AND ITS FRAMEWORK

CHARTER

This charter governs the formation and operation of the Nomination and Remuneration Committee (the 'Committee') of M/s Prostarm Info Systems Limited (the 'Company).

INTRODUCTION

The Company believes in conducting its affairs in a non-discriminatory and transparent manner by adopting highest standards of professionalism and good corporate governance practices. The Company believes that a good corporate governance system is necessary to ensure its long term success. The Company ensures good governance through the implementation of effective policies and procedures, which is mandated and regularly reviewed by the Board and/or the committees of the members of the Board.

DEFINITIONS

1. 'Board' means Board of Directors of the Company.
2. Directors' means directors of the Company.
3. Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Regulations.
4. Company' means Prostarm Info Systems Limited.
5. Independent Director' means a Director referred to in Section 149(6) Act and rules and Listing Regulations.
6. Key Managerial Personnel (KMP)' means- the Managing Director or Chief Executive Officer or manager, Whole-time Director, the Company Secretary; the Chief Financial Officer; and Any other person as defined under the Act from time to time

FORMATION OF COMMITTEE

The Nomination and Remuneration Committee of the Company was constituted on August 31, 2020 consisting of 3 Directors. The Committee and Nomination and Remuneration Policy (the 'Policy') is in compliance with all applicable provisions of the Companies Act, 2013, particularly Section 178 read together with the applicable rules thereto and Clause 49 of the Listing Agreement.

CONSTITUTION OF THE COMMITTEE

The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent. Term of the Committee shall be continued unless terminated by the Board of Directors. Chairman of the Committee shall be an Independent Director. The Chairperson of the Company may be appointed as a member of the Committee but shall not be the Chairman of the Committee.

QUORUM & MEETINGS

Minimum two (2) members shall constitute a quorum for a Committee meeting. In the event only two (2) members are present, the unanimous vote of the two (2) members shall constitute an act of the Committee. In case of an equality of votes, the Chairman shall have a second or casting vote. Where the Committee comprises of more than two (2) members, the act of a majority of the members present will constitute an act of the Committee.

The Committee shall meet at least once in a financial year, with additional meetings when circumstances require, as determined by the Committee Chairman.

MINUTES

Minutes of each meeting will be prepared by or under the direction of the Company Secretary. The Company Secretary shall maintain a permanent record of the minutes of the meeting/s, and shall distribute minutes to members of the Committee as also directors who are not members of the Committee.

REPORTING AND DISCLOSURE

The Company Secretary (If any) or any other person nominated by the Board shall apprise the Board at its next meeting or earlier, if required by the law, of all material matters and recommendations proposed by the Committee from time to time.

Membership of the Committee, brief description of term of reference, programs under corporate social responsibility and attendance of the member of the Committee during the year shall be disclosed in the Annual Report.

SECRETARY

The Company Secretary (if there is any) or any other person nominated by the Board of the Company shall act as Secretary of the Committee.

GENERAL

This Policy is divided in three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;
Part – B covers the appointment and removal of Directors, KMP and Senior Management; and
Part – C covers remuneration for Directors, KMP and Senior Management

PART – A

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee (“NRC”)

The following matters shall be dealt with by the Committee: -

- **CORPORATE GOVERNANCE**:
  To ensure that the Board is comprised of directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance;

- **BOARD DIVERSITY**:
  To review the size and composition of the Board and devise a policy on Board diversity. Periodically reviewing the size and composition of the Board to have an appropriate mix of executive non-executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;
  The Committee shall also assist the Board in ensuring the Board nomination process is in line with the diversity policy of the Board relating to differences in thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge & skills including – expertise in financial, global business, leadership, technology, mergers & Acquisition, Board service, strategy sales and marketing, environment social & governance ("ESG"), risk and cyber security and other domains

- **APPOINTMENT CRITERIA**:
  To formulate criteria for determining qualifications, positive attributes and independence of a director and to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend the Board of their appointment and removal;

- **SUCCESSION PLANS:**
  To Establish and review Board, KMP and Senior Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior

- **APPOINTMENT OF INDEPENDENT DIRECTORS**:
  To formulate the criteria for evaluation of independent directors on the Board;

- **RECOUPMENT POLICY:**
  The Committee is responsible for recommending to the Board, the application of the Recoupment Policy in relation to any incentive-based compensation (as defined in the recoupment policy), that shall be recovered from the current or past CEO or any current or past executive reporting to the CEO in the event of an accounting restatement.

- **REMUNERATION POLICY**:
  The Committee is responsible for reviewing and making recommendations to the Board on:
  1. Remuneration of whole-time Directors to be presented for shareholders' approval including severance, if any.
  2. Individual and total remuneration of non-executive Directors and the chairperson (if non- executive), including any additional fees payable for membership of Board committees;

3. The remuneration and remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts having regard to the need to:
    i. Attract and motivate talent to pursue the Company's long term growth;
    ii. demonstrate a clear relationship between executive compensation and performance;
    iii. be reasonable and fair, having regard to best governance practices and legal requirements and
    iv. balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goal
    v. the Company's incentive compensation and equity based plans including a consideration of performance thresholds and regulatory and market requirements;

- **PERFORMANCE EVALUATION**:
  To carry out evaluation of every director's performance;

- **REVIEW**
  The Committee shall review and reassess the framework and the Policy, on an annual basis and obtain the approval of the Board of Directors, for any changes/ amendment in the framework/ policy.

PART – B

POLICY FOR APPOINTMENT, EVALUATION AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT

APPOINTMENT CRITERIA AND QUALIFICATIONS

- The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise and experience for the position he / she is considered for.
- A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
- For every appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended for such role shall meet the description.
- For the purpose of identifying suitable candidates, the Committee may;
    i. use the services of an external agencies, if required
    ii. consider candidates from a wide range of backgrounds, having due regard to diversity and
    iii. consider the time commitments of the candidates
- The Company shall appoint or continue the employment of a person as Managing Director /whole-time Director and non-executive Director who has not attained the maximum age of retirement as prescribed under relevant laws.

- A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.
- The Company shall not appoint any resigning independent director, as whole-time director, unless a period of one year has elapsed from the date of resignation as an independent director

TERM / TENURE

- **MANAGING DIRECTOR / WHOLE-TIME DIRECTOR**
  The Company shall appoint or re-appoint any person as its Managing Director and CEO or whole-time Director as per the relevant laws.

- **NON-EXECUTIVE DIRECTOR**
  Non-executive director's office is subject to retirement by rotation at the Annual general meeting in the manner as specified under relevant laws.

- **INDEPENDENT DIRECTOR**
  An Independent Director shall be appointed / re-appointed in the manner as specified under relevant laws.

EVALUATION OF KEY MANAGERIAL PERSONNEL

The Managing Director performs the evaluation of performance on an annual basis.

The Managing Director does a review of the performance based on the efforts put in by the employee, results achieved against the goals set, and impact of external /internal factors.

The performance review will also include the review of remuneration of the KMP

EVALUATION OF INDEPENDENT DIRECTORS

The performance evaluation of Independent Directors shall be done by the Board, excluding the Director being evaluated, basis the contributions made to the Board deliberations in the board meetings

REMOVAL

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

RETIREMENT

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the relevant laws. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company, subject to approvals as required under the relevant laws.

PART – C

POLICY RELATING TO THE REMUNERATION FOR DIRECTORS, KMP AND SENIOR MANAGEMENT

GENERAL

- The remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.
- The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Act, and the rules made thereunder.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.
- Where any insurance is taken by the Company on behalf of its Directors, KMP and Senior Management 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 KMP AND SENIOR MANAGEMENT

- The pay program for KMP and Senior Management has been designed around three primary pay components: Base/Fixed Pay, Performance Bonus and Stock Incentives. These three components together constitute the "Total Rewards" of the KMP and Senior Management.
- Base/ Fixed pay: It is guaranteed pay and paid periodically, usually monthly or bi-monthly or as per payroll policy by country.
- Performance Bonus: Cash bonus, payable on the achievement of objective and quantifiable key performance indicators (KPI) as established by the Committee.
- Stock Incentives: Stock or Equity based incentives can be either time based or performance based equity grants. Time based stock incentives, in the form of Restricted Stock Units (RSUs) or/and stock options, are vested based on continuation of service. Performance based stock incentives, in the form of Stock Options and/or RSUs, vest upon the achievement of certain performance parameters. The stock incentives are governed by the Prostarm Stock Plans as approved by the shareholders or any other plans as may be amended.
- The total rewards for KMP and Senior Management is designed to ensure their continued alignment with organizational goals. The Committee aims to ensure that KMP and Senior Management pay is reflective of market pay, consisting of a mix of base/ fixed pay, performance bonus and stock incentives. The emphasis on stock incentives ensures alignment with shareholders' interests, through a continued focus on the Company's sustainable, long term performance.

  The Overview of Executive Leadership Compensation is available, at www.prostarm.com

REMUNERATION TO OTHER EMPLOYEES

- The compensation for other employees would be as per the compensation policy of the Company, as revised through the annual compensation review process from time to time and approved by the Chief Executive Officer, in consultation with the Head- HR.
- **SALARY**- Each executive employee will be entitled to receive a salary which will be competitive and based on executive's responsibilities and performance.
- **SHORT TERM INCENTIVES** - Based on the achievement of an individual, pre- defined financial and strategic business targets presented by the Committee and ratified by the Board of Directors;
- **LONG TERM INCENTIVES** - Each Executive Employee will be entitled to receive long term incentives, as per the global guidelines and as recommended by the Management, from time to time.
- **SEVERANCE PAY AND PENSION CONTRIBUTION** - As per employment terms;
- **OTHER BENEFITS**- Executive employees will be entitled to insurance policy (s), pension scheme and such other benefits as the Company may provide from time to time.

MINIMUM REMUNERATION TO WHOLE-TIME DIRECTORS

- If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its whole-time Directors in accordance with the provisions of Schedule V of the Act.

REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTORS

- Remuneration: The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of relevant laws. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Non- Executive / Independent Directors in accordance with the provisions of Schedule V of the Act.

- Stock incentive: The Independent Directors shall not be entitled to any stock incentive of the Company.

- The remuneration to the Non-executive Directors (including Independent Directors) 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.

NOTES:

- The Company normally has 4 regular Board meetings in a year. Independent directors are expected to attend at least four quarterly Board meetings and the AGM.

- For directors based overseas, the travel fee shown is per Board meeting. This is based on the fact that additional travel time of two days will have to be accommodated for independent directors to attend Board meetings in India.

- For directors based overseas, incidental fees shown is per Board meeting. This fee is paid to non-executive directors for expenses incurred during their travel to attend Board meetings in India.

- The payment is subject to deduction of tax at source (TDS) as required by applicable tax laws. In case if any tax is deducted at source as per applicable tax laws, a certificate as prescribed by law will be issued for the amount of tax withheld. The company shall seek necessary and relevant tax documents as per applicable law in seeking waiver or reducing any applicable withholding taxes.

RATIFICATION OF REMUNERATION TO KEY MANAGEMENT PERSONNEL

The committee will bi-annually ratify the remuneration of the key Management Personnel.

REVIEW AND DISCLOSURE

The Company shall disclose in the Board's report, the ratio of the remuneration of each director, to the median employee's remuneration and such other details as prescribed under law.

The Company discloses in its Annual Report all elements of remuneration package of individual directors summarized under major groups details of fixed component and performance linked incentives together with material terms, service contracts like notice period, severance fees (if any) and stock option details (if any).

ANNEXURE VII

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. Introduction

1.1. Philosophy

At Prostarm Info Systems Limited, we are committed to the Prostarm Group's 'Good & Green' vision of creating a more inclusive and greener India. We never lose sight of our responsibility to the environment and society. Our commitments towards **Corporate Social Responsibility** include but not limited to, promotion of education and healthcare, energy and climate change, and betterment of the society through respect for universal human rights and the environment, acting with integrity and accountability and operating responsibly and sustainably.

1.2. CSR in India

Corporate bodies' involvement in CSR activities is not a new concept in India. Industrial majors are engaged in social development activities since long back. However, the **Companies Act, 2013** has brought it under the legal purview. The concept of CSR is introduced through "Comply-or-Explain" mandate. It mandates qualifying companies to constitute Corporate Social Responsibility Committee to effectively monitor CSR activities of the Company. Further the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "the CSR Rules") lay down the framework and modalities for carrying out CSR activities which are specified in Schedule VII of the Act.

2. Objective and Scope

2.1. Objective

The main objective of the CSR Policy is to lay down guidelines for Prostarm Info System Limited (hereinafter referred to as 'the Company') to make CSR as one of the key focus areas to adhere to Prostarm's global interest in environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs.

This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

2.2. Scope & Coverage

The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Further,

the Company will review the sectors/activities from time to time and make additions/ deletions/ clarifications to the above sectors/activities.

3. Corporate Social Responsibility (CSR) Committee

3.1. Constitution

According to the Sec 135 (9) of the Companies Act, 2013, Where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.
The CSR expenditures of the Company do not exceed Rs. 50.00 lac and therefore No CSR committee is required to be formed during the F.Y. 2020-21. The Board of Directors of the Company shall discharge the functions of the CSR Committee.

However, in future if the Company crosses the limit set out by Sec 135 (9) of the Companies Act, it shall constitute a CSR Committee according to the provisions of the ACT.

3.2. Functions and Powers of Committee/Board regarding Corporate Social Responsibility

To effectively implement the objectives of the Company with respect to CSR, the Committee/Board is vested with the following functions and powers:

a. Formulate CSR Policy and recommend the same.
b. Recommend CSR activities as stated under Schedule VII of the Act
c. Approve to undertake CSR activities, if necessary, in collaboration with Prostarm group companies/other Companies/firms/NGOs etc., and to separately report the same in line with the CSR Rules
d. Recommend the CSR Budget
e. Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
f. Create transparent monitoring mechanism for implementation of CSR initiatives in India
g. Submit the Reports to the Board in respect of the CSR activities undertaken by the Company
h. Monitor CSR Policy from time to time
i. Monitor activities/charter of Internal Working and Monitoring Group (WG) who are authorized to ensure that the CSR activities of the Company are implemented effectively
j. Authorize executives of the Company to attend the Board Meetings, if necessary

3.3. Meetings of the Committee

The committee shall meet according to the following guidelines

For smooth functioning of the Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary;

a. The Board shall hold a minimum number of two meetings in a year.
b. The members of the Committee may mutually agree between them regarding time and place for the said meetings.
c. The quorum for the Board Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.
d. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.

4. CSR Spend

The Companies Act, 2013 prescribes that the companies which meet the criteria specified U/s. Sec. 135 shall allocate certain portion of its annual net profits (calculated as per Sec. 198) during the three immediately preceding financial years to be spent on CSR Activities that fall under the categories specified under Schedule VII of the Act.

4.1. CSR Expenditure

Net profit for the purpose of allocation towards CSR means profit more fully described under Rule 2(f) of the CSR Rules. The CSR expenditure shall include all expenditure including contribution to corpus or on projects or programs relating to CSR activities approved by the Board of Directors on the recommendation of its Board but does not include any expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act.

4.2. Failure to spend the CSR Money

If the Company fails to spend the required amount in a particular financial year, it is the duty of the Committee to submit a report in writing to the Board of Directors specifying the reasons for not spending the amount, which in turn shall be reported by the Board of Directors in their Annual Report pertaining to that particular Financial Year.

Surplus, if any, arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

5. CSR Initiatives

Pursuant to Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended by the Board at the beginning of each year. The Committee is authorized to approve any modification to the existing Annual CSR Plan or to propose any new program during the financial year under review.

5.1. Annual CSR Plan

The Annual CSR Plan is a yearly plan of CSR activities that would be placed before the Board of Directors of the Company based on recommendation of its Board which outlines inter alia the following aspects of CSR initiatives of the Company:

- Project Proposals
- Targeted Beneficiaries and their key needs
- Alignment with Schedule VII
- Project Goals and milestones
- Activities and Timelines including expected closure dates
- CSR Budget with projections
- Monitoring mechanism
- Progress reporting and frequency of reports
- Risks and mitigation strategies
- Any other information as may be required by the Board

5.2. Collaboration

It is expressly allowed under the CSR Rules that the Company may collaborate with any other Company or association formed in this regard subject to approval by Board, to implement CSR activities and the same shall form a part of the Annual CSR Plan.

6. Reporting and publication of CSR policy

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any.

7. Monitoring Mechanism

An Internal Working and Monitoring Team comprising of below mentioned employees of the Company will be set up to ensure effective implementation and monitoring of the projects approved by the Board of Directors from time to time.

7.2 Reporting by Internal Working and Monitoring Team

The Internal Working and Monitoring Team will report / give feedback to the Board for all CSR projects undertaken.

The Internal Working and Monitoring Team shall submit reports to the Board of the Company at least once in six months on the progress of the various projects approved by the Committee and entrusted to the Group for implementation and monitoring.

8. Policy review and future amendment

The administration of the CSR Policy of the Company and the execution of identified CSR projects, programs and activities under it shall be carried out under the control and overall supervision of an internal monitoring group formed for this purpose. At the time of formation of this policy, the internal monitoring group shall consist of:

1. Mr. Tapan Ghose
2. Ms. Sonu Ram Agarwal

3. Mr. Harsh Jodhani

The internal monitoring group shall submit its report at least once in six months to the Board formed under the Act, which shall monitor the CSR policy of the Company from time to time.
Further, the Board of Directors may revise/ amend this CSR Policy based on the recommendations of the Internal Monitoring Group or to bring the same in line with the guidelines or amendments issued from time to time by Government on the subject.

ANNEXURE VIII

RISK MANAGEMENT POLICY

PREAMBLE

'**Risk**' in literal terms can be defined as the effect of uncertainty on the objectives. Risk is measured in terms of consequences and likelihood. Risks can be internal and external and are inherent in all administrative and business activities. Every member of any organisation continuously manages various types of risks. Formal and systematic approaches to managing risks have evolved and they are now regarded as good management practice also called as Risk Management.

'**Risk Management**' is the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of uncertain events or to maximize the realisation of opportunities. Risk management also provides a system for the setting of priorities when there are competing demands on limited resources.

The Board of Directors of M/s Prostarm Info Systems Limited has adopted the following policy and procedures with regard to risk management as defined below. The Board may review and amend this policy from time to time.

DEFINITIONS:

1. "Audit Committee" means Committee of Board of Directors of the Company constituted under the provisions of the Companies Act, 2013 and SEBI LODR, 2015.

2. "Board of Directors" or "Board" in relation to a Company, means the collective body of Directors of the Company.

3. "Policy" means Risk Management Policy.

BACKGROUNG AND IMPLEMENTATION

The Company is prone to the following inherent business risks:

1. Business Risk
2. Financial Risk
3. Technology obsolescence
4. Regulations
5. Competition
6. Return on Investments
7. Environment Health & Safety
8. Increase in price and costs,
9. Limited resources
10. Retention of talent

This policy is in compliance with the amended LODR - 2015 which requires the Company to lay down procedure for risk assessment and procedure for risk minimization.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.
Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

OBJECTIVE:

1. To ensure that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e to ensure adequate systems for risk management.
2. To establish a framework for the company's risk management process and to ensure its implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To assure business growth with financial stability.

APPLICABILITY

This Policy applies to all areas of the Company's operations.

RISK MANAGEMENT FRAMEWORK

The Company's Risk Management Framework is divided into 3 parts:

1. Risk Management Process: This shall include the following process:
   - Risk Identification, Analysis & Prioritization
   - Risk Treatment (Avoid, accept/retain, mitigate/reduce, transfer/ Share
   - Risk Mitigation
   - Residual risk assessment
   - Risk Monitoring and reporting
2. Risk Governance and Communication Structure
   - Board of Director
   - Risk Management Committee
   - Unit and divisional Risk Team
3. Support sustainable Growth and Value addition to the company's stakeholders which includes the following:
   - Regulators and Government Authorities
   - Comminuities
   - Shareholders & Investors
   - Customers
   - Employees

- Suppliers and Associates
- Environment

KEY RISK IDENTIFIED AND THEIR MITIGATION

1. **BUSINESS RISK:**

   This includes the following**:**

   - **SLOWER ECONOMIC GROWTH:** Slower GDP growth recovery in the medium term (post-Covid years) will significantly impact the Company's growth plans.

     MITIGATION

     The Company is shifting resources, workflow, and business systems in those areas, that are less likely to be affected by the slowdown. Digital transformation is being implemented across functions, which will help to improve the efficiencies and competitiveness in due course. Further, projects have been deployed for margin improvement & cost effectiveness.

   - **PANDEMIC**

     Another wave of Covid-19 can cause significant disruption to business. It includes demand and supply risk, shutdown of units and reduction in employee productivity due to remote working conditions.

     MITIGATION

     The Company is building up additional inventory to overcome intermittent disruptions in the supply. It is working towards creating adequate awareness and having safety arrangements well in place, so that, risk to employees is minimized. Vaccination drives, across the organization, covering employees and their families, have been conducted. Company is also well equipped to reap the benefits of consumer shift to digital channels.

   - **GEOPOLITICAL EVENTS IMPACTING SUPPLY**

     Supply disruptions due to geopolitical events may impact input costs and supply chain.

     MITIGATION

     The Company plans to minimize the impact of disruption by producing appropriate quantities and strategic stocking ahead of season, to ensure continuity of supply. Focus is placed on developing domestic alternate sources like new manufacturing units and OEM suppliers to reduce dependence on long supply routes including imports. Further, R & D team is continuously working on developing alternate formulations in case of raw materials

2. **FINANCIAL RISK:** Financial Risk Includes the following:

   - **LIQUIDITY RISK**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

Mitigation: The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2022 and March 31, 2021. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an ongoing basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable investments, such as mutual funds, with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

- **MARKET RISK**

  Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of following: interest rate risk, foreign currency risk and commodity price risk. Financial instruments affected by market risk include loans, borrowings, trade payables and deposits.

- **INTEREST RATE RISK**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings which are at floating interest rates.

- **FOREIGN CURRENCY RISK**

  Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risks arising from exposures to US Dollars and Chinese Yuan from the Company's import of goods. The Group manages this foreign currency risk by using foreign currency forward contracts to hedge certain of its import liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

- **CREDIT RISK**

  Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

  TRADE AND OTHER RECEIVABLES The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

  A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business

environment in which Company operates and other macro-economic factors. Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables.

CASH AND CASH EQUIVALENTS: Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

3. TECHNOLOGY OBSOLESCENCE:

Rapid technological changes may change all the existing business models. The Company's margins may hit due to new cost-effective disruptive innovations.

MITIGATION: The Company strongly believes that technological obsolescence is a practical reality. Technological obsolescence is evaluated on a continual basis and the necessary investments are made to bring in the best of the prevailing technology.

The company's procurement policy has taken into consideration of all the Regulatory requirements and capabilities of future upgrades.

4. REGULATIONS:

Changing laws, regulations and standards relating to accounting, corporate governance and public disclosure, Securities and Exchange Board of India (SEBI) rules, and Indian stock market listing regulations are creating uncertainty for companies.

These new or changed laws, regulations and standards may lack specificity and are subject to varying interpretations. Their application in practice may evolve over time, as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs of compliance as a result of ongoing revisions to such corporate governance standards.

MITIGATION: The Company is committed on maintaining high standards of corporate governance and public disclosure and our efforts to comply with evolving laws, regulations and standards in this regard would further help us address these issues

5. COMPETITION:

New players entering the market and aggressive pricing and other trade practices by competitors, pose a threat to Company's market share.

MITIGATION

The Company is investing in product value chain for specific focus on innovation for differentiated products and reducing time to market. Company is investing to enhance the sell out mechanism to improve efficiency of sales function.

6. RETURN ON INVESTMENTS

7. ENVIRONMENT HEALTH AND SAFETY

EHS incidents can impact business continuity. It can also hinder the abilities and morale of employees, associates and business partners.

MITIGATION

The Company has adopted an EHS compliance framework, where compliances requirements of all units, are currently mapped and monitored. Adequate preventive measures for fire safety, electrical safety and working on heights are in place along with strong audit systems. Hazard Identification Risk Assessment (HIRA) is also being carried out, for all activities to mitigate the risks.

8. INCREASE IN PRICE AND COSTS:

Exposure to commodity price volatility can impact the costs, leading to margin erosion.

MITIGATION

The Company focus on velocity of pass through and timely pricing actions. Constant monitoring of commodity trends and competitor price transmission in the market has been taken up by the Company. The Company has plans to invest in expanding the in-house manufacturing of the products.

9. LIMITED RESOURCES

Since the available resources are limited in all respect, be it manufacturing, operations or administration, the company shall work on the principle of optimum utilisation-Recycle-Reuse the resources.

10. RETENTION OF TALENT

Moonlighting and Job Swapping are two major challenges being faced by any business enterprises these days.

MITIGATION

The Company has a Nomination and Remuneration Committee to work with the HR Department for the retention of talent. The talent retention framework includes the following steps:

- **ONBOARDING AND ORIENTATION**: Every new employee shall be taught not only about the job but also about the company culture and how they can contribute to and thrive in it
- **TRAINING AND DEVELOPMENT:** Employees shall be provided two kinds of training. Primary is the general training for grass level operations of the Company and Secondary is relating to the department specific operations for which, he is recruited.
- **MENTORSHIP PROGRAMS:** Every new Employee is paired with an experienced employee for guidance. New team members learn the ropes from experienced employees, and, in return, they offer a fresh viewpoint to their mentors.
- **EMPLOYEE COMPENSATION**: Employees shall be provided salaries, perks and retirement benefits on the basis of their performance.
- **RECOGNITION AND REWARDS SYSTEMS:** To recognize the hard work and extra efforts of the employees, the performances shall be evaluated periodically, better communication with the higher management are also provided. Rewards shall be given in the form of promotion and perks.
- **EMPHASIS ON TEAM WORK:** Tasks shall be divided into teams and not individual so that the work life balance, skill and experience of every team member can be promoted.

CONSTITUTION OF RISK MANAGEMENT COMMITTEE

The Company has constituted a Risk Management Committee with majority of Members of the Board of Directors, with the overall responsibility of overseeing and reviewing risk management across the Company. The terms of reference of the Risk Management Committee are as follows:

- Review of strategic risks arising out of adverse business decisions and lack of responsiveness to changes;
- Review of operational risks;
- Review of financial and reporting risks;
- Review of compliance risks;
- Review or discuss the Company's risk philosophy and the quantum of risk, on a broad level that the Company, as an organization, is willing to accept in pursuit of stakeholder value;
- Review the extent to which management has established effective enterprise risk management at the Company;
- Inquiring about existing risk management processes and review the effectiveness of those processes in identifying, assessing and managing the Company's most significant enterprise-wide risk exposures;
- Review the Company's portfolio of risk and consider it against it's risk appetite by reviewing integration of strategy and operational initiatives with enterprise-wide risk exposures to ensure risk exposures are consistent with overall appetite for risk; and
- Review periodically key risk indicators and management response thereto.

MEETINGS

The Risk Management Committee shall meet at least once in a year.

AUTHORITY

The Committee shall have free access to management and management information. The Committee, at its sole authority, may seek the advice of outside experts or consultants where judged necessary.

ROLE OF THE BOARD

The Board will undertake the following actions to ensure risk is managed appropriately:

- The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company.
- The Board shall ensure that the SOPs of all departments & verticals are prepared as per best global practices and are compliant with ESG parameters and UN SDG goals and are free from any business or legal risks.
- The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit.
- Ensure that the appropriate systems for risk management are in place.
- The independent directors shall help in bringing an independent judgment to bear on the Board's deliberations on issues of risk management and satisfy themselves that the systems of risk management are robust and defensible; Participate in major decisions affecting the organization's risk profile;
- Have an awareness of and continually monitor the management of strategic risks;Be satisfied that processes and controls are in place for managing less significant risks;
- Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly;
- Ensure risk management is integrated into board reporting and annual reporting mechanisms;
- Convene any board-committees that are deemed necessary to ensure risk is adequately managed and resolved where possible.

REVIEW

This policy shall be reviewed at a minimum at least every year to ensure it meets the requirements of legislation & the needs of organization.

Report on Audit of Standalone Financial Statements : 2021-22

PROSTARM

Power Redefined



ProstarM Info Systems Limited

Navi Mumbai

Audited By

Mansaka Ravi & Associates

Chartered Accountants

Nerul, Navi Mumbai

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INDEPENDENT AUDITOR'S REPORT

To

The Members of
PROSTARM INFO SYSTEMS LIMITED,
NAVI MUMBAI (MH)

Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **PROSTARM INFO SYSTEMS LIMITED** *("the Company")*, which comprise the **Standalone Balance Sheet as at March 31, 2022**, the Standalone Statement of Profit and Loss (including Standalone Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit /loss and total comprehensive income, changes in equity 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon,

and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information other than the standalone financial statements and auditors' report thereon

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

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

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

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's Responsibility for the standalone financial statements

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

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

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

Auditors' Responsibilities for the audit of standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative

factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (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 Companies Act, 2013, we give in the "**Annexure A** "a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

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 [Other Comprehensive Income] and Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

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i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or Provide any guarantee, security or the like to or 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 persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.

v. No Dividend is declared or paid by the company during the year.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C



(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 22410816AXWMUE2393
Place: Navi Mumbai
Date: 3rd September, 2022

Mansaka Ravi & Associates
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ANNEXURES REFERRED IN THE AUDITOR'S REPORT ON THE ACCOUNTS OF PROSTARM INFO SYSTEMS LIMITED FOR THE YEAR ENDING 31ST MARCH, 2022

Annexure A to the Auditor's Report

As required by the Companies (Auditor's report) Order, 2020 issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we report that:

i) In respect of Company's Property, Plant and Equipment and Intangible assets:

(a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and relevant details of right of use assets and investment property.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification to cover all the items of property, plant & equipment, right of use assets and investment property in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification has been carried on by the management during the year. Accordingly, we were unable to comment on whether any material discrepancies were noticed on such verification and whether they are properly dealt with in the standalone financial statements.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties including investment property of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date except one property at Kolkata (WB) of which title deeds are not available due to local system of maintenance of documents as "Bhada Salami".

In respect of immovable properties of land and building that have been taken on lease and disclosed as Property, Plant & Equipment in the standalone financial statements, the lease agreements are in the name of the Company.

(d) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or 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) According to information and explanation given to us and on the basis of our examination of the records of the company, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. As per management explanation, no material discrepancies were noticed and discrepancies if any have been properly dealt with in the books of account;

b) According to information and explanations given to us and on the basis of our examination of the records of the company, the Company has been sanctioned working capital limits in excess of five

crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly / monthly statements filed by the company with the banks against sanctioned working capital loan are materially in agreement with books of accounts except the following:

A) As per information and explanations given to us, inventory of Spare & Parts having value of ₹ 40.72 Lakhs at the end of reporting period were not declared in statements provided to banks;

B) As per information and explanations given to us, Inventory value declared in the Statement provided to banks is inclusive of taxes;

C) As per information and explanations given to us, there is some difference in the value of total trade receivables and trade payables which have arisen on account of due reconciliation of debtors and creditors and also reconciliation with Form 26AS for TDS receivables.

iii) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any investments, provided guarantee or security or granted any advance in nature of loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties. The Company has granted interest free loans to its employees as per Company's established policy during the year. The details are as under:

a) The Company has not made any investment in, 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 (LLPs) or any other entity during the year. Accordingly, reporting under clause 3(iii) (a) of the Order is not applicable to the Company.

b) The terms and conditions of the grant of all loans are not, prima facie, prejudicial to the interest of the Company.

c) In respect of certain loans granted by the Company, the schedule of repayment of principal has been stipulated and for some loans, it is not stipulated. The repayments or principal are regular.

d) There is no overdue amount in respect of loans granted to employees.

e) No loans or advances in the nature of loans granted by the Company which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

f) The Company has granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any relevant provisions of the Act and the rules made there under, accordingly, clause (v) of the order is not applicable on the company.

vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records for the year with a view to determine whether they are accurate and complete.



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(vii) In respect of statutory dues:

(a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues and no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess.

There were no arrears of undisputed statutory dues as at 31st March, 2022, which were outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no disputed dues of Income Tax or Sales Tax or Service Tax, or duty of customs or duty of excise or VAT or Goods and Service Tax, which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income-tax Act, 1961	Demand on Account of Contingent Liability considered as Income	INR 435.53 Lakhs	FY 2019-20	Order passed by Appellate Authority	As per management, they have filed appeal against the order.
Sales Tax (Gujrat State)	As per Demand Notice	INR 0.80 Lakhs	FY 2015-16	Order passed by authority	As per Management, demand is deposited in FY 2022-23
TDS Defaults	As per Traces Portal	INR 1.58 Lakhs	FY 2009 - 2022	As per Traces Portal	Returns will be revised to clear dues

viii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, there were no such unrecorded transaction in the books of account which were surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961 (43 of 1961).

ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and other lenders and written representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) a) On the basis of overall examination of the Balance Sheet of the Company, according to the information and explanations provided to us and based on our examination of the records of the company we report that monies raised by way of term loans were applied for the purposes for which those were raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument).

b) In our opinion and according to the information and explanations given to us as well as based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under section 42 and section 62 of the Companies Act, 2013.

xi) a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of audit.

b) According to the information and explanations given to us and based on our examination of the records of the company, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us and based on our examination of the records of the company, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed u/s 133 of the Act.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has an internal audit system commensurate with the size and nature of its business and the reports of the Internal Auditors for the period under audit were considered by us.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



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xvi) a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.

b) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.

c) The Company is not a core investment company (CIC) as defined in the regulations made by the reserve Bank of India. Accordingly, clause 3(xvi)(c) of the order is not applicable.

d) According to information and explanations given to us during the course of audit, 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.

xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, 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 and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by Company as and when they fall due.

xx) a. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, there was no such unspent amount to be transferred to fund specified in Schedule VII to the Act. Accordingly, paragraphs 3(xx)(a) of the Order are not applicable.

b. The Company does not have ongoing projects under section 135 of the Companies Act. Accordingly, paragraphs 3(xx)(b) of the Order are not applicable.

xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 22410816AXWMUE2393
Place: Navi Mumbai
Date:3rd September, 2022

Mansaka Ravi & Associates
Chartered Accountants
HO: 17 | Ground Floor | Palm Beach Arcade | Sector-4 | Nerul West | Navi Mumbai | 400706
BO: 34 | Fourth Floor | Trinity Mall | Swage Farm | New Sanganer Road | Sodala | Jaipur | 302020
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Annexure "B" to the Auditor's Report

Report on the Internal Financial Controls over Financial Reporting 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 **PROSTARM INFO SYSTEMS LIMITED** ('the Company') as of **31 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 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.

Auditor's 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 the 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. 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 standalone 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of 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 standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 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 Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 22410816AXWMUE2393
Place: Navi Mumbai
Date: 3rd September, 2022

PROSTARM INFO SYSTEMS LIMITED
Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Mumbai City, MH - 400701
Email: sales@prostarm.com, Website: www.prostarm.com, Tel: +91 22 49856522/26
CIN: U31900PN2008PLC131272

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Notes	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	5	180.52	66.82	108.18
(b) Capital Work-in-Progress		-	-	-
(c) Investment Property	6	271.29	185.55	185.26
(d) Intangible Assets	7	0.13	0.17	-
(e) Intangible Assets under Development		-	-	-
(f) Right-of-Use Assets		-	-	-
(g) Financial Assets				
(i) Trade Receivables	8	327.18	126.77	743.86
(ii) Investments	9	345.93	0.15	0.15
(iii) Loans		-	-	-
(iv)Other financial assets	10	956.70	368.84	559.86
(h) Deferred Tax Assets		45.54	63.37	58.15
(i) Other non-current assets		-	-	-
Total Non-Current Assets		**2127.29**	**811.66**	**1655.47**
Current Assets				
(a) Inventories	11	2901.55	1736.31	757.61
(b) Financial Assets				
(i) Investments	12	316.98	-	-
(ii) Trade receivables	13	3150.02	3535.47	4537.56
(iii) Cash and cash equivalents	14	185.15	97.71	212.58
(iv) Bank balances other than (iii) above	15	86.50	366.87	25.91
(v) Loans	16	26.71	15.46	15.03
(vi) Others current financial assets	17	27.29	65.88	78.38
(c) Current Tax Asset (Net)	27	18.10	-	-
(d) Other Current Assets	18	498.43	545.91	422.53
Total Current Assets		**7210.74**	**6363.59**	**6049.61**
Total Assets		**9338.02**	**7175.26**	**7705.08**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	19	908.36	908.36	227.09
(b) Other Equity	20	3251.50	2052.82	1887.45
Total Equity		**4159.86**	**2961.18**	**2114.54**

Continued...

Particulars	Notes	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
LIABILITIES				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	210.61	42.18	48.10
(ia) Lease Liabilities		-	-	-
(iii) Other financial liabilities		-	-	-
(b) Provisions	22	69.77	57.90	60.14
(c) Deferred tax Liabilities (Net)		-	-	-
(d) Other Non-Current Liabilities		-	-	-
Total Non-Current Liabilities		**280.38**	**100.07**	**108.24**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	94.45	6.83	8.19
(ia) Lease Liabilities		-	-	-
(ii) Trade payables		-	-	-
(a) total outstanding dues of micro enterprises and small enterprises; and		-	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	24	4543.75	3797.37	5152.68
(iii) Lease Liabilities		-	-	-
(iv) Other Financial Liabilities	25	138.60	63.32	55.53
(b) Other Current Liabilities	26	109.61	132.66	122.57
(c) Provisions	22	11.37	7.00	10.14
(d) Current Tax Liabilities	27	-	106.82	133.18
Total Current Liabilities		**4897.79**	**4114.00**	**5482.30**
Total Equity and Liabilities		**9338.02**	**7175.26**	**7705.08**

The accompanying Notes 1 to 61 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 22410816AXWMUE2393

Place : Navi Mumbai
Dated : 3rd September, 2022

For and on behalf of the Board of Directors of
ProstarM Info Systems Limited

(Tapan Ghose)
Managing Director
DIN:- 01719231

(Sonu Ram Agarwal)
Whole Time Director & CFO
DIN:- 01920474

(Ram Agarwal)
Director & CEO
DIN:- 01739245

(Vikas Agarwal)
Chairman & Non-Executive Director
DIN:- 01940262

PROSTARM INFO SYSTEMS LIMITED
Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Mumbai City, MH - 400701
Email: sales@prostarm.com, Website: www.prostarm.com, Tel: +91 22 49856522/26
CIN: U31900PN2008PLC131272

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Notes	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
I. Revenue from operations	28	17113.26	13100.07
II. Other Income	29	74.04	11.81
III. **Total Income (I +II)**		**17187.30**	**13111.88**
IV. **Expenses:**			
Purchase of Stock-in-Trade	30	14089.61	11231.98
Changes in inventories of Stock-In-Trade	31	-1165.24	-978.70
Other Operating Expenses	32	549.96	347.41
Employee benefit expenses	33	1203.70	828.94
Finance Costs	34	80.70	30.11
Depreciation and amortization expenses	35	52.02	32.29
Other Expenses	36	687.33	540.58
IV. **Total Expenses**		**15498.07**	**12032.62**
V. **Profit before exceptional and extraordinary items and tax**		**1689.23**	**1079.26**
VI. Exceptional Items		-	-
VII. **Profit before extraordinary items and tax (V - VI)**		**1689.23**	**1079.26**
VIII. Extraordinary Items	37	46.01	-47.87
IX. **Profit Before Taxes (VII-VIII)**		**1643.22**	**1127.13**
X. **Tax expense:**			
(1) Current tax	38	427.64	308.80
(2) Tax of Earlier Years	38	5.85	0.11
(3) Deferred tax	38	16.13	-11.05
XI. **Profit/(Loss) for the period (IX-X)**		**1193.60**	**829.28**

Continued..

Particulars	Notes	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
XII. **Other Comprehensive Income**			
(i) Items that will not be reclassified to profit or loss		-	-
Fair value gain loss on Investments		-	-
Remeasurement gain/loss on defined benefit obligation	59	6.78	23.19
(ii) Income tax relating to items that will not be reclassified to profit or loss	38	-1.71	-5.84
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income (XII)		**5.08**	**17.36**
XIII. **Total Comprehensive Income for the period (XI+XII)**		**1198.68**	**846.63**
XIV. **Earning per equity share:**			
(1) Basic (In ₹)		13.07	9.45
(2) Diluted (In ₹)		13.07	9.45

The accompanying Notes 1 to 61 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 22410816AXWMUE2393

Place : Navi Mumbai
Dated : 3rd September, 2022

For and on behalf of the Board of Directors of
ProstarM Info Systems Limited

(Tapan Ghose)
Managing Director
DIN:- 01719231

(Sonu Ram Agarwal)
Whole Time Director & CFO
DIN:- 01920474

(Ram Agarwal)
Director & CEO
DIN:- 01739245

(Vikas Agarwal)
Chairman & Non-Executive Director
DIN:- 01940262

PROSTARM

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STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
A Cash Flow From Operating Activities		
Net Profit / (Loss) Before Tax	1643.22	1127.13
Adjustments For :		
Depreciation and Amortization Expense	52.02	32.29
Interest Income	-35.68	-32.86
Interest Expenses	15.76	2.29
Profit on Sale of Investments	-7.22	-5.00
Profit on sale of Property,plant & equipment (PPE)	-21.23	44.85
Remeasurment of defined benefit plan / Leave Encashment	21.02	17.82
Operating Profit Before Working Capital Changes	1667.88	1186.52
Adjustments For :		
Decrease/(Increase) in other financial assets	-549.27	203.53
Decrease/(Increase) in other assets	29.38	-123.37
Decrease/(Increase) in Loans	-11.25	-0.43
Decrease/(Increase) in inventories	-1165.24	-978.70
Decrease/(Increase) in trade receivables	185.03	1619.19
Decrease/(Increase) in bank balance	280.36	-340.96
(Decrease)/Increase in Trade payables	746.39	-1355.31
(Decrease)/Increase in other financial liabilities	75.27	7.80
(Decrease)/Increase in other liabilites	-23.05	10.09
Increase/Decrease in Provisions	2.00	-
Cash Generated From Operations	1237.51	228.36
Less: Direct Taxes Paid net of refund (including TDS)	540.31	335.27
Net Cash flow From Operating Activities	697.20	-106.91
B Cash Flow From Investing Activities		
Addition in Property, Plant & Equipment [PPE]	-157.75	-27.41
Addition in Intangible Assets	-	-0.19
Addition / Deletion in Investment Properties	-72.44	-8.65
Interest Income	35.68	32.86
Purcahse of Investments	-4663.00	-4002.80
Proceeds from Sale of Investments	4353.24	4007.81
Investment of Shares of Subsidiary	-345.78	0.00
Net Cash (Used) In/From Investing Activities	-850.05	1.62
C Cash Flow From Financing Activities		
(Decrease)/Increase in Non-Current Borrowings	168.43	-5.92
(Decrease)/Increase in Current Borrowings	87.63	-1.36
Interest paid on Borrowings	-15.76	-2.29
Net Cash (Used) In/From Financing Activities	240.30	-9.58

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Particulars		For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
D	Net Change In Cash & Cash Equivalents(A+B+C)	87.44	-114.88
E	Cash & Cash Equivalents at beginning of the year	97.71	212.58
F	Cash & Cash Equivalents at end of the year	185.15	97.71

Components of Cash & Cash Equivalents	As at 31st March 2022	As at 31st March 2021
Cash on Hand	7.93	4.48
Balance with Banks in Current Accounts	177.22	93.22
Cheques, Drafts on Hand	-	-

Reconciliation of Liabilities arising from Financing Activities - FY 2021 -2022

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	48.11	253.21	1.97	303.30
Short-term Borrowings Secured	-	-	-	-
Short-term Borrowings Unsecured	0.89	0.88	-	1.77
Total financial liabilities	**49.00**	**254.09**	**1.97**	**305.06**

Reconciliation of Liabilities arising from Financing Activities - FY 2020-21

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	56.29	-8.22	0.04	48.11
Short-term Borrowings Secured	-	-	-	-
Short-term Borrowings Unsecured	-	0.89	-	0.89
Total financial liabilities	**56.29**	**-7.33**	**0.04**	**49.00**

Note:1 The Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".

Note-2: Previous Year's figures have been recasted/regrouped, wherever necessary, to confirm to the current year's figures.

The accompanying Notes 1 to 61 form an integral part of the Financial Statements.

As per our separate report of even date attached

For and on behalf of the Board of Directors of
ProstarM Info Systems Limited

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 22410816AXWMUE2393

Place : Navi Mumbai
Dated : 3rd September, 2022

(Tapan Ghose)
Managing Director
DIN:- 01719231

(Sonu Ram Agarwal)
Whole Time Director & CFO
DIN:- 01920474

(Ram Agarwal)
Director & CEO
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Chairman & Non-Executive Director
DIN:- 01940262

PROSTARM

PROSTARM INFO SYSTEMS LIMITED

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Email: sales@prostarm.com, Website: www.prostarm.com, Tel: +91 22 49856522/26

CIN: U31900PN2008PLC131272

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lakhs)

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting perio
908.36	-	908.36	-	908.36

(2) Previous reporting period

Balance at the beginning of the pervious reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting perio
908.36	-	908.36	-	908.36

B Other Equity

(₹ in Lakhs)

(1) Current reporting period

Particulars	Security Premium	Retained Earnings	Other Comprehensive Income	Total
Balance at the beginning of the current reporting period	-	2035.46	17.36	2052.82
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	0.00	2035.46	17.36	2052.82
Total Comprehensive Income for the current year		1193.60	5.08	1198.68
Dividends	0.00			-
Transfer to retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
Balance at the end of the current reporting period	0.00	3229.06	22.43	3251.50

(2) Previous reporting period

(₹ in Lakhs)

Particulars	Security Premium	Retained Earnings	Other Comprehensive Income	Total
Balance at the beginning of the previous reporting period	-	1887.45	-	1887.45
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	0.00	1887.45	0.00	1887.45
Total Comprehensive Income for the previous year	0.00	829.28	17.36	846.63
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Capitalisation of Profits by Issue of Bonus Shares	-	-681.27		-681.27
Balance at the end of the previous reporting period	-	2035.46	17.36	2052.82

The accompanying Notes 1 to 61 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 22410816AXWMUE2393

Place : Navi Mumbai
Dated : 3rd September, 2022

For and on behalf of the Board of Directors of
ProstarM Info Systems Limited

(Tapan Ghose)
Managing Director
DIN:- 01719231

(Ram Agarwal)
Director & CEO
DIN:- 01739245

(Sonu Ram Agarwal)
Whole Time Director & CFO
DIN:- 01920474

(Vikas Agarwal)
Chairman & Non-Executive Director
DIN:- 01940262

1. COMPANY OVERVIEW

PROSTARM INFO SYSTEMS LIMITED (erstwhile Prostar Micronova Power Systems Pvt Ltd), conceptualized and promoted by a group of entrepreneurs having varied experience in the field of Power Electronics, got incorporated on 11th January 2008 with the primary objective to provide energy efficient & clean power solutions to critical loads like ATMs & Microprocessor Based Systems/ Office Automation Equipment installed in banks & other financial institutions, corporate, academic institutes, hospitals/diagnostic centers, hospitality segment, railways & other PSUs.

ProstarM info Systems Limited, over the span of 14 glorious years, have graduated into a multifaceted entity specializing in providing solutions & services related to Power & Total Implementation/Infrastructure Solutions (TIS) in addition to the supply of flagship products like Uninterrupted Power Supply (UPS) Systems, Solar PV Power Plants, Batteries, Servo Controlled Voltage Stabilizers, Solar Hybrid Inverters & other related power conditioning equipment.

The standalone financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on 3rd September, 2022.

2. BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

a. Statement of compliance with Ind AS

These standalone financial statements are prepared on accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

These are the Company's first Ind AS compliant financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards' has been applied. For all the periods upto and including 31 March 2021, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, accounting standards specified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013.

The Company followed the provisions of Ind AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition, viz. 1 April 2020. Some of the Company's Ind AS accounting policies used in the opening Balance Sheet are different from its previous GAAP policies applied as at 31 March 2020, and accordingly the adjustments were made to restate the opening balances as per Ind AS.

The resulting adjustments arose from events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognized directly through retained earnings as at 1 April 2020. This is the effect of the general rule of Ind AS 101 which is to apply Ind AS retrospectively. An explanation of how the transition to Ind AS has affected the reported financial position, financial performance and cash flows of the Company is provided in Note 54.

b. **Basis of Measurement**

The Standalone Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

c. **Current v/s Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within one year.

d. **Functional and Presentation Currency**

These Standalone Financial Statements are prepared in Indian Rupee ("₹") which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals, except when otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Standalone Financial Statement.

a) **Property, Plant and Equipment [PPE]**

(i) **Definition**

Property, plant and equipment are tangible items that:

(A) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

(B) are expected to be used during more than one period.

(ii) **Recognition & Initial Measurement**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

(iii) **Subsequent Measurement (depreciation and useful lives)**

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013.

Building	60 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Electrical Installation and Equipment	8 years
Office Equipment	5 years
Computers	3 years
Vehicles	8 years

Depreciation on PPE sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such PPE are sold, discarded or demolished.

Leasehold land & building and improvements are amortized on the basis of duration and other terms of lease.

Right-of-use Assets (Building & Motor Vehicles under operating Lease) is amortised on a straight-line basis over the period of respective lease term.

The residual values, useful lives and methods of depreciation of PPE are reviewed at the end of each financial year considering the physical condition of the PPE and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalised. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

(iv) De-recognition

PPE are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

b) Capital Work-in-Progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the

commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

c) Intangible Assets

(i) Recognition and initial measurement

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

(ii) Subsequent Measurement & Amortization

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

(iii) De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

d) Investment Properties

(i) Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

(ii) Subsequent Measurement & Amortization

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any, subsequently. Depreciation is provided from the date the assets are put

to use, on written down value method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013

Building	60 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Electrical Installation and Equipments	8 years
Office Equipments	5 years
Computers	3 years
Vehicles	8 years

Depreciation on PPE sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such PPE are sold, discarded or demolished.

Leasehold land & Building and improvements are amortised on the basis of duration and other terms of lease.

The residual values, useful lives and methods of depreciation of PPE are reviewed at the end of each financial year considering the physical condition of the PPE and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

(iii) **De-recognition**

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

e) Revenue Recognition

(i) Revenue from contract with customer is recognised, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services.

(ii) Company generally follows mercantile system of accounting and recognizes significant items of income & expenditure on accrual basis. The revenues have been duly recognized in accordance with the provisions of Ind AS - 18 "Revenue Recognition". However, some of expenditures are accounted for on the receipt of bill or invoice of the same which are not material.

(iii) Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing service tax, Goods & Service Tax (GST) and other applicable indirect taxes.

(iv) Service tax / Goods & Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the services by the service provider on behalf of the Government. Accordingly, it is excluded from revenue.

(v) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration.

(vi) Unbilled income represents the value of services rendered but not yet been invoiced on the reporting date due to contractual terms.

(vii) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Interest is accounted on accrual basis on overdue receivables.

(viii) Dividend

Dividend income is recognized when the right to receive dividend is established.

f) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

(i) Company as a lessee

The Company's lease asset classes primarily consist of leases for land and building. The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contract existing and entered into on or after April 1, 2019.The Company has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The Company recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. In the comparative period,

lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss over the lease term.

(ii) Company as a lessor

Assets given under operating leases are included in investment properties. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and need to be measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight-line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

g) Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

h) Taxation

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Sales Tax/ GST / VAT

Sales/ value added taxes paid on acquisition of assets or on incurring expenses are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

i) Inventories

Inventories being stock-in-trade are valued at the lower of cost and net realisable value.

Cost of these inventories are determined on First In First Out basis.

j) Employee Benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve

months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

(ii) Post-employment benefits –

(a) Defined benefit plans – Gratuity

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and number of years of employment with Company. Presently the Company's gratuity plan is unfunded.

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 if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

(b) Defined Contribution Plans – Provident Fund

Provident Fund & Pension Fund are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust and Regional Provident Fund Commissioner respectively are charged to the Statement of Profit and Loss.

k) Earning Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the

weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

l) Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

m) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

n) Segment Reporting

(i) Business Segment

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business comprises of power management solution services and since it is the only reportable segment as envisaged in relevant Ind AS. Accordingly, no separate disclosure for Segment reporting is required to be made in the Standalone financial statements of the Company.

(ii) Geographical Segment

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

o) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

p) Impairment of Non-Financial Assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life.

q) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

r) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement

Subsequent measurement of financial assets is described below -

a. **Financial Assets (Debt instruments) at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

b. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c. **Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The xtransferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset.

Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

In other words, trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The

allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.
- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(B) Financial liabilities

(i) Initial Recognition & Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans & borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through statement of profit and loss

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

(ii) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Buyers Credit

The Company enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up to twelve months (for raw materials) and up to 36 months (for project materials). Where these arrangements are for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit (under Trade and other payables). Where these arrangements are for project materials with a maturity up to 36 months, the economic substance of the transaction is determined to be financing in nature, and these are classified as projects buyers' credit within borrowings in the statement of financial position.

(iv) Financial liabilities – De-recognition

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

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts

and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. For more information on financial instruments Refer Note No. 50.

s) Investment in Subsidiaries, joint ventures and associates:

Subsidiary: A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.

Associate: Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.

Joint arrangement: A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

t) Foreign currency transactions

(i) Initial Recognition

In the Standalone financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

(ii) Conversion

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

(iii) Exchange Differences

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

u) Dividend Distribution

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

ProstarM Info Systems Limited Mumbai

v) **Prior Period Items**

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

w) **Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone financial statements are elaborated in Note No. 4.

4. CRITICAL ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting year end. Although these estimates and associated assumptions are based upon historical experiences and various other factors besides management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on a periodic basis. Any revision in the accounting estimates is recognised in the period in which the results are known/ materialise.

Significant judgments and key sources of estimation in applying accounting policies are as follows:

a) **Property, plant and equipment and useful life of property, plant and equipment and intangible assets**

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

b) **Provisions and contingencies**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be

required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 40).

c) Employee benefit expenses

Actuarial valuation for gratuity, sick leave and leave encashment liability of the Company has been done by an independent actuarial valuer on the basis of data provided by the Company and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

d) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets on unabsorbed depreciation/business loss have been recognised to the extent of deferred tax liabilities on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax assets. The Company has determined that it cannot recognise deferred tax assets on the tax losses carried forward as it is not probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Further details on taxes are disclosed in Note No. 38.

e) Impairment of accounts receivable and advances

Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses.

f) Discounting of Security deposit, retention money and other long-term liabilities

For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Standalone financial statements.

g) **Amortized Cost for Employee Loans**

Employee loans, except for computer loans, have not been recorded using Effective Interest Rate method due to absence of any material impact on Standalone financial statements and involvement of practical difficulties.

h) **Investment in Equity Instruments**

Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date.

i) **Restatement of Prior Period Items**

Material prior period items, i.e. items having a value of above Rs. 5.00 Lac have been restated in the previous year financials.

In terms of our attached report of even date

For Mansaka Ravi & Associates
Chartered Accountants
Firm Reg. No.: 015023C

(CA Ravi Mansaka)
Partner
Membership No. 410816

UDIN: 22410816AXWMUE2393

Place: Navi Mumbai
Date: 3rd September, 2022

For and on behalf of the Board of Directors of
ProstarM Info Systems Limited

Tapan Ghose
Managing Director
DIN:01719231

Sonu Ram Agarwal
Whole Time Director & CFO
DIN:01920474

Ram Agarwal
CEO & Director
DIN:01739245

Vikas Agarwal
Chairman & Non-Executive Director
DIN: 01940262

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

5 PROPERTY, PLANT & EQUIPMENT

Refer Note 3(a) for accounting policy on Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1 April, 2021	Additions	Disposals	Closing as on 31 Mar, 2022	Opening as on 1 April, 2021	Additions	Disposals	Closing as on 31 Mar, 2022	As on 31st Mar, 2022	As on 31st Mar, 2021
Freehold Properties	26.15	-	-	26.15	6.77	0.94	-	7.72	18.43	19.38
Leasehold Properties	-	-	-	-	-	-	-	-	-	-
Plant & Equipments	1.05	11.17	-	12.22	0.02	1.21	-	1.24	10.98	1.02
Computers	46.63	52.03	-	98.66	33.71	21.16	-	54.88	43.78	12.91
Motor Cars	128.60	86.30	-	214.89	101.38	17.97	-	119.35	95.54	27.21
Furniture & Fixtures	8.72	2.23	-	10.95	4.76	1.37	-	6.13	4.82	3.96
Office Equipments	6.12	6.03	-	12.15	4.10	1.33	-	5.43	6.72	2.02
Two Wheelers	1.93	-	-	1.93	1.62	0.07	-	1.69	0.24	0.31
Total	219.20	157.75	-	376.95	152.37	44.06	-	196.43	180.52	66.82

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1 April, 2020	Additions	Disposals	Closing as on 31 Mar, 2021	Opening as on 1 April, 2020	Additions	Disposals	Closing as on 31 Mar, 2021	As on 31st Mar, 2021	As on 31st Mar, 2020
Freehold Properties	26.15	-	-	26.15	5.78	0.99	-	6.77	19.38	20.37
Leasehold Properties	-	-	-	-	-	-	-	-	-	-
Plant & Equipments	78.20	1.05	78.20	1.05	26.56	6.81	33.34	0.02	1.02	51.64
Computers	34.07	12.56	-	46.63	27.28	6.43	-	33.71	12.91	6.78
Motor Cars	118.76	9.84	-	128.60	93.51	7.88	-	101.38	27.21	25.25
Furniture & Fixtures	6.22	2.51	-	8.72	3.83	0.93	-	4.76	3.96	2.39
Office Equipments	4.66	1.45	-	6.12	3.32	0.77	-	4.10	2.02	1.34
Two Wheelers	1.93	-	-	1.93	1.53	0.09	-	1.62	0.31	0.40
Total	269.98	27.41	78.20	219.20	161.81	23.91	33.34	152.37	66.82	108.18

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

6 INVESTMENT PROPERTY

(₹ in Lakhs)

A. Completed Investment Properties

Refer Note 3(d) for accounting policy on Investment Properties.

Particulars	Land Leasehold	Buildings	Total
Gross Block			
Balance as at 1st April, 2020	12.08	328.03	**340.11**
Additions	8.65	-	8.65
Disposals	-	-	-
Balance as at 31st March, 2021	20.73	328.03	**348.76**
Additions	7.74	-	7.74
Disposals	-	42.70	42.70
Balance as at 31st March, 2022	**28.47**	**285.33**	**313.80**
Accumulated Depreciation			
Balance as at 1st April, 2020	-	154.85	**154.85**
Additions	-	8.36	8.36
Adjustments/Disposals	-	0.00	-
Disposals	-		-
Balance as at 31st March, 2021	-	163.21	**163.21**
Additions	-	7.93	7.93
Disposals	-	14.18	14.18
Balance as at 31st March, 2022	-	**156.95**	**156.95**
Net Block			
Balance as at 1st April, 2020	12.08	173.18	185.26
Balance as at 31st March, 2021	20.73	164.82	185.55
Balance as at 31st March, 2022	**28.47**	**128.38**	**156.85**

B. Under Development Investment Properties

Particulars	Land Freehold	Buildings	Total
Balance as at 1st April, 2020	-	-	-
Additions	-	-	-
Deletions	-	-	-
Balance as at 31st March, 2021	-	-	-
Additions	-	114.45	114.45
Deletions	-	-	-
Balance as at 31st March, 2022	-	**114.45**	**114.45**

C. Total Investment Properties [A+B]

Balance as at 31st March, 2020	**12.08**	**173.18**	**185.26**
Balance as at 31st March, 2021	**20.73**	**164.82**	**185.55**
Balance as at 31st March, 2022	**28.47**	**242.82**	**271.29**

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

6.1 Amount recognised in Statement of Profit or Loss for Investment Properties

Particulars	As at 31st March 2022	As at 31st March 2021
Rental Income derived from Investment Properties	4.38	2.70
Less: Direct Operating Expenses (Including repairs & maintenance) generating rental income	3.68	1.83
Less: Direct Operating Expenses (Including repairs & maintenance) that did not generate rental income	-	-
Profit arising from Investment Properties before Depreciation	0.70	0.87
Depreciation for the Year	7.93	8.36
Profit/(Loss) arising from Investment Properties	**-7.22**	**-7.49**

6.2 Leasing Arrangements

Minimum lease payments receivable under non-cancellable operating lease of investments properties are as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
Not Later than one Year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
Lease income recognised during the year in profit and loss	4.38	2.70

Note: Company has not entered into any lease agreement with the tenants.

6.3 Fair Values

The Company has not got valued its investment properties and they are carried at amortized value in the financial statements.The Company has no restrictions on the realisability of its investment properties subject to Note 25.

6.4 **There are no contractual obligations to purchase, construct or develop investment property.**

6.5 **No contingent rent recognised / (adjusted) in the Profit or Loss in respect of operating lease.**

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

7 INTANGIBLE ASSETS

(₹ in Lakhs)

Refer Note 3(c) for accounting policy on Intangible Assets

Particulars	Softwares	Trademark	Total
Gross Carrying Value			
Balance as at 1st April, 2020	-	-	0.00
Additions	-	0.19	0.19
Disposals	-		-
Balance as at 31st March, 2021	-	0.19	0.19
Additions	-	-	0.00
Disposals	-	-	-
Balance as at 31st March, 2022	-	0.19	0.19
Accumulated Depreciation & Amortization			
Balance as at 1st April, 2020	-	-	-
Additions	-	0.02	0.02
Disposals	-	-	-
Balance as at 31st March, 2021	-	0.02	0.02
Additions	-	0.03	0.03
Disposals	-	-	-
Balance as at 31st March, 2022	-	0.05	0.05
Net Carrying Value			
Balance as at 31st March, 2020	-	-	-
Balance as at 31st March, 2021	-	0.17	0.17
Balance as at 31st March, 2022	-	0.13	0.13

Intangible Assets Under Development

Particulars	Softwares	Other	Total
Opening Balance as on 1st April, 2020	-	-	-
Additions during the year	-	-	-
Capitalised During the Year	-	-	-
Closing Balance as on 31st March, 2021	-	-	-
Additions during the Year	-	-	-
Capitalised During the Year	-	-	-
Closing Balance as on 31st March, 2022	-	-	-

8 NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Secured, considered good			
Unsecured, considered good			
Due from Related Parties	-	-	
Others	327.18	126.77	743.86
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - Credit Impaired	-	-	-
Less: Allowance for Expected Credit Loss	-	-	-
Total[1,2,3]	**327.18**	**126.77**	**743.86**

Notes: 1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 42.

2. For lien/charge against trade receivables refer Note No. 21 & 23.

3. No non-current trade receivables are due from directors or other officers of the Company either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

9 NON-CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Investments carried at Cost			
Unquoted Investments			
(a) Subsidiary Companies			
ProstarM Energy Systems Private Limited			
34,57,800 Equity Shares of Rs. 10/- fully paid up *(Previous Year : NIL Shares of Rs. 10/- each)*	345.78	-	-
(b) Investment in Mutual Funds			
(c) Other Non-Current Investments			
Investment in Silver Coins	0.15	0.15	0.15
Total	**345.93**	**0.15**	**0.15**

Aggregate Values :	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
1. Aggregate amount of quoted investments	-	-	-
2. Aggregate amount of market value of quoted investments	-	-	-
3. Aggregate amount of unquoted investments	345.93	0.15	0.15
4. Aggregate amount of impairment in value of investments	-	-	-
	Level 3	**Level 3**	**Level 3**
Classification of Investments			
Unquoted Investments	345.93	0.15	0.15

Information about Subsidiaries & Associates

Name of the Company & Country of Incorporation	Principal Activities	% Shareholding	Date of Acquisition
ProstarM Energy Systems Private Limited	Manufacturing & Trading of UPS & Inverters	51%	17th July, 2021

During the Year 2021-22, Company acquired 51% equity holding of M/s ProastarM Energy Systems Private Limited and thereby, ProstarM Energy System Private Limited has become subsidiary of the Company in the Year 2021-22.

10 OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Unsecured, considered good			
Security Deposits	271.10	148.58	98.74
Earnest Money Deposits	0.18	0.18	-
Retention Money Receivable	103.81	40.16	53.21
Bank deposits with more than 12 Months Maturity	572.57	170.86	398.86
Other Loans & Advances	9.05	9.05	9.05
Total	**956.70**	**368.84**	**559.86**

11 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Inventories of Stock-In-Trade [1,2,3]	2569.14	1734.71	757.61
Inventories of Stock-In-Transit	291.69	-	-
Inventories of Spares & Parts	40.72	1.60	-
Total Closing Stock	**2901.55**	**1736.31**	**757.61**

Note: 1. Inventory includes Batteries, UPS and Inverters as a major component of total inventory. These materials are valued at lower of cost or net reliasable value.

2. Entire inventory has been hypothecated as security against certain bank borrowings of the Company as at 31 Mar, 2022, 31st Mar, 2021 and 31 Mar, 2020. For more details of lien/charge against inventories refer Note No. 21 & 23.

3. Inventory has been verified and valued by the management only.

12 CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Investments carried at Cost			
Unquoted Investments			
(a) Investment in Shares	-	-	-
(b) Investment in Mutual Funds			
13550. 527 Units of Axis Liquid Fund - Regular Growth	316.98	-	-
Total	**316.98**	**0.00**	**0.00**

Aggregate Values :	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
1. Aggregate amount of quoted investments	-	-	-
2. Aggregate amount of market value of quoted investments	-	-	-
3. Aggregate amount of unquoted investments	316.98	-	-
4. Aggregate amount of impairment in value of investments	-	-	-
	Level 3	Level 3	Level 3
Classification of Investments			
Unquoted Investments	316.98	-	

13 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Secured, considered good	-	-	-
Unsecured, considered good	3150.02	3535.47	4537.56
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - Credit Impaired	-	-	-
Total[1,2,3]	**3150.02**	**3535.47**	**4537.56**

Notes: 1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 42.
2. For lien/charge against trade receivables refer Note No. 21 & 23.
3. No non-current trade receivables are due from directors or other officers of the Company either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

14 CASH & CASH EQUIVALENTS[1]

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Balance with Banks	177.22	93.22	211.35
In Current Accounts	-	-	-
Cheques, Drafts on Hand	7.93	4.48	1.24
Cash on Hand			
Total	**185.15**	**97.71**	**212.58**

Note:1 There are no restriction with regard to cash and cash equivalents as at the end of reporting period and prior periods.

15 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Deposits with Banks			
Earmarked balances with banks[1]	86.50	366.87	25.91
Total	**86.50**	**366.87**	**25.91**

Note:1 Earmarked balances with banks primarily consists of margin money against performance guarantees obtained by the company.

16 CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Unsecured, considered good	-	-	-
Unsecured Loan to Related Party	-	-	-
Unsecured Loan to Other Companies	26.71	15.46	15.03
Loans and advances to Employees			
Total	**26.71**	**15.46**	**15.03**

17 CURRENT FINANCIAL ASSETS - OTHER

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Receivable against GEDA Subsidy	27.29	65.88	78.38
Other Advances	-	-	-
Total	**27.29**	**65.88**	**78.38**

18 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Prepaid Expenses	8.91	10.73	1.60
Balances with Revenue Authorities	472.51	381.52	256.24
Advances for Purchase of Capital Assets	-	-	-
Advance to Vendors	17.01	153.66	158.51
Deferred Expenditures	-	-	6.18
Total	**498.43**	**545.91**	**422.53**

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

(₹ in Lakhs)

19 EQUITY SHARE CAPITAL

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
AUTHORISED 1,40,00,000 Equity Shares of Rs. 10 each *(Previous Year 1,40,00,000 Equity Shares of Rs. 10/- each)*	1400.00	1400.00	1400.00
ISSUED, SUBSCRIBED & PAID-UP 90,83,600 Equity Shares of Rs. 10 each fully paid up *(Previous Year 90,83,600 Equity Shares of Rs. 10/- each)*	908.36	908.36	227.09
Total	**908.36**	**908.36**	**227.09**

19.1 **The details of shareholders holding more than 5% of the shares are as follows:**

Name of Shareholder	As at 31st March, 2022		As at 31st March, 2021		As at 1st April, 2020	
	Nos.	%	Nos.	%	Nos.	%
Mr. Ram Agarwal	27,25,080	30.00%	27,25,080	30.00%	14,66,800	64.59%
Mrs. Parvati Shyamsunder Agarwal	12,09,420	13.31%	12,09,420	13.31%	2,91,000	12.81%
Mr. Vikas Agarwal	29,97,252	33.00%	29,97,252	33.00%	4,61,600	20.33%
Mrs. Sonu Ram Agarwal	18,16,724	20.00%	18,16,724	20.00%	5,000	0.22%

19.2 **Shareholding of Promoters including "Promoter Group"**

Name of Promoter	As at 31st March, 2022		As at 31st March, 2021		As at 1st April, 2020	
	Nos.	%	Nos.	%	Nos.	%
Mr. Ram Agarwal	27,25,080	30.00%	27,25,080	30.00%	14,66,800	64.59%
Mrs. Sonu Ram Agarwal	18,16,724	20.00%	18,16,724	20.00%	5,000	0.22%
Mrs. Parvati Shyamsunder Agarwal	-	-	12,09,420	13.31%	2,91,000	12.81%
Mr. Vikas Agarwal	-	-	29,97,252	33.00%	4,61,600	20.33%
Mr. Vikas Agarwal HUF	-	-	1,08,000	1.19%	27,000	1.19%
Mr. Sunita Agarwal	-	-	74,000	0.81%	18,500	0.81%
Mr. Shyam Sunder Agarwal	-	-	1,53,124	1.69%	1,000	0.04%
Total	**45,41,804**	**50.00%**	**90,83,600**	**100.00%**	**22,70,900**	**100.00%**

19.3 **Rights, preference and restrictions attached to Equity Shares**

(i) The company has one class of equity shares having a par value of Rs. 10 per share. All equity shares, in present and in future, rank *pari passu* with the existing equity shares of the company and each shareholder is entitled to one vote per share.
(ii) The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.
(iii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
(iv) The company did not have outstanding calls unpaid by the directors and officers of the Company (Previous Year NIL) and also did not have any amount of forfeited shares (Previous Year NIL).
(v) The Company has not allotted any fully paid up equity shares without payment being received in cash and nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.
(vi) During the period of last five years, the Company has issued Bonus Shares to its Shareholders by capitalisation of reserves to the extent of ₹ 681.27 Lakhs in the ratio of 3:1.

19.4 **Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Equity Shares at the begining of Year	90,83,600	22,70,900	22,70,900
Add: Issued Bonus Shares during the year	-	68,12,700	-
Less: Shares Cancelled on back during the year	-	-	-
Equity Shares at the end of the Year	**90,83,600**	**90,83,600**	**22,70,900**

(₹ in Lakhs)

20 OTHER EQUITY

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Retained Earnings			
As per Last Balance Sheet	2035.46	1887.45	1195.25
Adjustments:			
Add: Profit For the Year	1193.60	829.28	692.21
Appropriations			
Less: Capitalisation by Issue of Bonus Shares	-	681.27	-
Total of Retained Earnings	**3229.06**	**2035.46**	**1887.45**
Other Comprehensive Income Reserve			
As per last balance sheet	17.36	-	-
Add: Other Comprehensive Income for the Year	5.08	17.36	-
Total of Other Comprehensive Reserves	**22.43**	**17.36**	-
Total of Other Equity	**3251.50**	**2052.82**	**1887.45**

Nature of Reserves

Retained Earnings represent the undistributed profits of the Company.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income(OCI) . OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

(₹ in Lakhs)

21 FINANCIAL LIABILITIES - NON CURRENT BORROWINGS

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Secured Loans (against hypothecation of assets)			
Vehicle & Business Loans	263.30	8.11	16.29
Less: Current maturities of Long Term Debt	92.69	5.94	8.19
Term Loans from Banks[1]	**170.61**	**2.18**	**8.10**
Unsecured Loans			
From Directors	0.00	0.00	
From Relatives of Directors	40.00	40.00	40.00
Total	**210.61**	**42.18**	**48.10**

Details & Principals terms of Secured Loans:

Security	Amount of Installment	Rate of Interest	Purpose / Sanction Amount	Banker
Hypothecation of Car itself to the extent of 100% of loan outstanding.	0.26	8.35%	Vehicle Loan - ₹ 12.50 Lakh	ICICI Bank Ltd
Hypothecation of Car itself to the extent of 100% of loan outstanding.	0.42	8.50%	Vehicle Loan - ₹ 16.92 Lakh	ICICI Bank Ltd[1]
Hypothecation of Car itself to the extent of 100% of loan outstanding.	0.35	7.25%	Vehicle Loan - ₹ 14.61 Lakh	Axis Bank Ltd
Hypothecation of Car itself to the extent of 100% of loan outstanding.	1.02	7.75%	Vehicle Loan - ₹ 50.75 Lakh	BMW India Financial Services P Ltd
Primary Security - NIL. For details of collateral securities - Refer Note[3]	-	10.50%	Working Capital Term Loan - ₹ 250 Lakh	Bandhan Bank Limited[2 & 3]
First *Pari Passu* Charge over the stock and book debts of the company. For collateral security details - Refer Note[4]	-	Repo + 3%	Business Loan - ₹ 200 Lakh	ICICI Bank Limited[4]
First *Pari Passu* Charge over the stock and book debts of the company. For collateral security details - Refer Note[4]	-	Repo + 3%	Term Loan - ₹ 1000 Lakh	ICICI Bank Limited[4]

Note:1>During the year 2021-22, company has repaid all installments of ICICI Vehicle Loan
Note:2> During the year 21-22, the Company has availed a business loan facility from Bandhan Bank Limited, however, in the same financial year the said facility has been taken over by the ICICI Bank.
Note:3> Collateral Securities Offered to Bandhan Bank Limited against WCTL are as under:
a) Exclusive charge on residential property by Equitable Mortgage situpted at Flat No. A3/12/F1/103, First Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sector 54, 55, 58, Nerul, Navi Mumbai. ad-measuring 129.50 sq ft in the name of the Company.
b) FD lien marked to the tune of 0.30 Cr or such higher amount which is required to maintain 100% collateral cover for WCTL.
c) Personal Guarantee of following persons has been offered:

i) Mr. Ram Agarwal
ii) Mr. Vikas Agarwal
iii) Mr. Santosh Agarwal
iv) Mrs. Sushila Agarwal

Note:4> Collateral Securities Offered to ICICI Bank Limited against Term Loan are as under:
a) First Paripasu Charge over Current Assets
b) Cash margin in form of FD of Rs. 7.75 million
c) One Industrial Property. To be specified in FY 22-23.
d) Exclusive charge on residential property by Equitable Mortgage situpted at Flat No. A3/12/F1/103, First Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sector 54, 55, 58, Nerul, Navi Mumbai. ad-measuring 129.50 sq ft in the name of the Company.
e) Personal Guarantee of following persons has been offered:
i) Mr. Ram Agarwal ii) Mr. Vikas Agarwal
Note:5>> The Company does not have any continuing default in repayment of loans and interest as on the reporting date.

22 PROVISIONS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March 2022		As at 31st March 2021		As at 1st April, 2020	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Provision for Employee Benefits						
Provision for Defined Benefits/Gratuity	69.77	6.37	57.90	4.00	60.14	7.14
Provision for Leave Encashments	-	-	-	-	-	-
Other Provisions	-	5.00	-	3.00	-	3.00
Total	**69.77**	**11.37**	**57.90**	**7.00**	**60.14**	**10.14**

Movement in Provisions

Particulars	As at 31st March 2021	Additions during the Year	Amount Paid / Adj. During the Year	As at 31st March 2022
Provision for Defined Benefits/Gratuity	61.90	14.24	-	76.14
Provision for Leave Encashments	0.00	-	-	-
Other Provisions	3.00	5.00	3.00	5.00

Movement in Provisions

Particulars	As at 1st April, 2020	Additions during the Year	Amount Paid / Adj. During the Year	As at 31st March 2021
Provision for Defined Benefits/Gratuity	67.28	-5.38	-	61.90
Provision for Leave Encashments	-	-	-	-
Other Provisions	3.00	3.00	3.00	3.00

23 FINANCIAL LIABILITIES - CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Secured			
From Banks			
Overdraft / Cash Credit Facility from Banks[1,2]	-	-	-
	-	-	-
From Others			
Unsecured			
From Banks			
Credit Card Dues	1.77	0.89	0.00
Current maturities of Long Term Debts (Note 21)	92.69	5.94	8.19
Total	**94.45**	**6.83**	**8.19**

(A) Cash Credit Facilities - Axis Bank - ₹ 1000 Lakhs

Banker	Axis Bank
Sanction Limit (₹ in Lakhs)	1000.00
Outstanding Limit (₹ in Lakhs)	-
Interest Rate	Repo Rate + 4.25%
Purpose	Working Capital Purpose
Cash Margin	Security cover to be maintained at 60% including Fixed Deposits in the name of Company.
Security	a) Hypothecation of Current Assets of the company, both present and future b) Exclusive equitable/registered mortgage charge on NA Residential Properties being land and building (tabulated below the Table) : c) FDR of Rs. 3 Crores duly lien marked as per shortfall to maintain Collateral Cover of 60%
Personal Guarantees	Further, secured by personal guarantee of Mr. Ram Agarwal, Mr Vikas Agarwal, Mr Santosh Agarwal & Mrs Soshila Agarwal

(B) Cash Credit Facility - ICICI Bank - ₹ 775 Lakhs

Banker	ICICI Bank
Sanction Limit (₹ in Lakhs)	775.00
Outstanding Limit (₹ in Lakhs)	-
Interest Rate (Bill Discounting)	Repo + 3%
Cash Margin (₹ In Lakhs)	77.50
Security	It is same as mentioned for business loan taken from ICICI Bank. See Note No. 21.
Personal Guarantees	Personal Guarantees of Mr Ram Agarwal & Vikas Agarwal

Note: 2 The Company does not have any continuing default in repayment of loans and interest as on the reporting date.

24 FINANCIAL LIABILITIES - CURRENT - TRADE PAYABLES'

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
(a) total outstanding dues of micro enterprises and small enterprises;	-	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	4543.75	3797.37	5152.68
Total	**4543.75**	**3797.37**	**5152.68**

Note: 1 Detailed ageing schedule and details of outstanding dues of micro enterprise and small enterprises are given at Note No.

25 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Interest accrued but not due on borrowings	1.97	0.04	0.08
Salary Payables including bonus	96.40	63.29	55.45
Directors Remuneration payable	29.44	-	-
Other Outstanding Expenses	10.79	-	-
Total	**138.60**	**63.32**	**55.53**

26 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Statutory Liabilities	96.21	74.19	98.10
Advance Against Sale of Property	-	14.75	0.00
Advances from Customers	13.41	43.72	24.48
Total	**109.61**	**132.66**	**122.57**

27 CURRENT TAX LIABILITIES / ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Provision for Tax	427.64	308.80	238.60
TDS / Advance Tax Paid	445.75	201.98	105.42
Net Current Tax Liabilities/ Assets	**-18.10**	**106.82**	**133.18**

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

28 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Sale of Products	25713.14	18368.02
Less: Inter-Branch Sales	-9123.80	-5874.68
Net Revenue from Sale of Products (A)	**16589.34**	**12493.34**
Sale of Services	587.82	605.45
Less: Opening Unbilled Reveneus from Services	-102.80	-101.52
Add: Closing Unbilled Revenues from Services	34.14	102.80
Net Revenue from Sale of Services (B)	**519.15**	**606.73**
Other Operating Revenues (C)	**4.77**	-
Total Revenue from Operations (A+B+C)	**17113.26**	**13100.07**

29 OTHER INCOMES

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Rent / Lease Income (Refer Note 6)	4.38	2.70
Interest Income on bank deposits	35.68	32.86
Foreign Exchange Gain / (Loss)	5.52	-2.98
Commission Income	-	8.00
Net Gain (Loss) on disposal of PPE/Investment Property	21.23	-44.85
Net Gain on Sale of Investments	7.22	5.00
Other Non-Operating Incomes	0.00	11.08
Total	**74.04**	**11.81**

30 PURCHASE OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Purchases made during the Year	23213.41	17106.66
Less: Inter-Branch Purchases	-9123.80	-5874.68
Net Purchases of Stock-In-Trade	**14089.61**	**11231.98**

31 CHANGE-IN-INVENTORIES OF STOCK-IN-TRADE DURING THE YEAR

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Inventory at the Beginning of the Year	1736.31	757.61
Inventory at the End of the Year	2901.55	1736.31
Change-in-Inventory During the Year	**-1165.24**	**-978.70**

32 OTHER OPERATING EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Freight & Transportation Charges	394.49	236.42
Labour Charges	8.14	2.76
Custom Clearing & Forwarding Charges	9.13	5.02
Service Charges	66.87	31.65
Installation Charges	33.43	42.82
Loading & Unloading Charges	37.90	28.74
Total	**549.96**	**347.41**

33 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Salary and Wages (Including Bonus)	1018.50	690.41
Directors' Remuneration	49.12	42.01
Staff Welfare Expenses	47.49	30.50
Contribution to provident and other funds	67.56	48.21
Provision for Defined Benefit Plans	21.02	17.82
Total	**1203.70**	**828.94**

34 FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Interest Expense	15.76	2.29
Other Borrowing Cost (upfont fees, renewal fees, etc)	25.91	2.00
Other Bank Charges	16.69	6.04
Interest / Penalty on Income-tax	22.02	19.50
Interest on TDS/TCS	0.31	0.22
Interest on Other Statutory Dues	-	0.06
Total	**80.70**	**30.11**

35 DEPRECIATION & AMORTIZATION EXP

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Depreciation on Tangible Assets (Refer Note-5)	44.06	23.91
Depreciation on Investment Properties (Refer Note-6)	7.93	8.36
Amortization on Intangible Assets (Refer Note-7)	0.03	0.02
Total	**52.02**	**32.29**

36 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Corporate Social Responsibility Expenses	17.50	11.70
Business Promotion Expenses	7.80	0.18
Misc Expenses	7.10	13.48
Electricty & Water Charges	12.68	8.87
Insurance Charges	5.26	3.18
Interest, Late Fees & Demands - GST	16.92	2.42
Repair & Maintenance Charges	18.14	13.34
Tender Fee	7.63	5.85
Office & Misc Expenses	78.98	52.49
Postage & Courier Charges	4.53	1.96
Printing & Stationery	5.48	3.87
Professional & Consultancy Charges	62.06	43.89
Rent, Rates & Taxes	132.01	100.69
Telephone & Internet Exp	4.21	2.36
Travelling & Conveyance Expenses	291.63	254.74
Brokerage & Commission	10.41	18.55
Audit Fees	5.00	3.00
Total	**687.33**	**540.58**

36.1 PAYMENT TO AUDITORS

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
a) Auditors	5.00	3.00
b) for taxation matters	-	-
c) for other services	-	-
d) for company law matters	-	-
e) for reimbursement of expenses	-	-
Total	**5.00**	**3.00**

37 EXTRAORDINARY ITEMS

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Share (IPO) Expenses[1]	-	6.18
Penalty under GST Law	2.15	6.71
Tax Paid Under GST Law - Eway Bill	-	6.71
Sundry Balance Written Off	43.86	-67.48
Total	**46.01**	**-47.87**

Note:1>During the previous reporting period, company has filed its Draft Prospectus on "Emerge" Platform of National Stock Exchange of India. However, due to certain reasons, company has not filed its red hearing prospectus and accordinlgy, did not come up with the Initial Public Offer upto the end of the reporting period.

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

(₹ in Lakhs)

38 INCOME TAX EXPENSE

The major components of income tax expense for the year ended March 31, 2022 are indicated below:

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
a) Statement of Profit or Loss for the Year ended		
Current Tax :		
Current tax on profit for the year	427.64	308.80
Charge/Credit in respect of current tax for earlier year	5.85	0.11
Total Current Tax	**433.49**	**308.91**
Deferred Tax :		
Origination and reversal of temporary differences	16.13	-11.05
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total Deferred Tax :	**16.13**	**-11.05**
Total Tax Expense / (Credit) for the Year	**449.62**	**297.86**
b) Statement of Comprehensive Income for the Year ended		
Deferred tax (Credit) / charge on :		
Re-measurement of defined benefit obligations	1.71	5.84
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total	**1.71**	**5.84**

(A) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Accounting Profits / (loss) before tax	1643.22	1127.13
Statutory income tax rate (%)	25.17	25.17
Tax at Indian statutory income tax rate	413.57	283.68
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	0.81	18.74
Permanent Disallowances	13.27	6.39
Charges in deferred tax balances due to the change in income tax rate for the year	-	-
Total Income-tax Expense / (Credit)	**427.64**	**308.80**
Effective income tax rate (%)	26.02%	27.40%

Note: The Government of India vide the Taxation Laws (Amendment) Act, 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay income tax at reduced rate effective 1st April, 2019, subject to certain conditions. Consequently, the Tax Expense for the current and previous reporting period has been provided for/ re-measured at reduced tax rate.

(B) The movement in deferred tax assets and liabilities during the financial year 2020-21 and 2021-22 are as under:

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2021	Charged / (Credited) to P&L	Charged / (Credited) to OCI	For the Year Ended on 31st March, 2022
Deferred Tax Assets :	-	-	-	-
Provision of doubtful debts and advances	9.74	11.13	-1.71	19.16
Provision of Gratuity (Employee Benefits)	0.00	2.80	-	2.80
Carry forward of Capital Losses	0.23	1.03	-	1.26
Temporary Disallowances under IT Act				
Deferred Tax Liabilities	-53.40	31.08	-	-22.32
Property, Plant & Equipment	-	-	-	-
Fair Valuation of Investments				
Total	**-63.37**	**16.13**	**1.71**	**-45.54**

Particulars	For the Year Ended on 31st March, 2020	Charged / (Credited) to P&L	Charged / (Credited) to OCI	For the Year Ended on 31st March, 2021
Deferred Tax Assets :	-	-	-	-
Provision of doubtful debts and advances	16.93	-1.35	-5.84	9.74
Provision of Gratuity (Employee Benefits)	-	-	-	-
Carry forward of Capital Losses	0.23	-	-	0.23
Temporary Disallowances under IT Act				
Deferred Tax Liabilities	-40.99	-12.41	-	-53.40
Property, Plant & Equipment	-	-	-	-
Fair Valuation of Investments				
Total	**-58.15**	**-11.05**	**5.84**	**-63.37**

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

(₹ in Lakhs)

39 RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are reported as under:

A. Name of related parties and description of relation:

(i) Entities where control exist – Subsidiaries

Name of Company	Nature of Relationship
ProstarM Energy Systems Private Limited	Subsidiary

(ii) Other Related Parties

Name of Company / Entity	Nature of Relationship
Mr Shyam Sundar Agarwal	Relative of Director
Mr Santosh Agarwal	Relative of Director
Mrs Parvati Agarwal	Relative of Director
Mrs. Jayanti Ghose	Relative of Director

(iii) Key Managerial Personnel (KMP)

Designation	Name
Managing Director	Mr. Tapan Ghose
Director & Chief Executive Officer	Mr. Ram Agarwal
Whole Time Director & Chief Financial Officer	Mrs. Sonu Ram Agarwal
Whole Time Director	Mr. Vikas Shyamsunder Agarwal
Whole Time Director	Mr. Raghu Ramesh Thammannashastri
Independent Director	Mr. Aniruddha Madhav Oke
Independent Director	Mr. Harsh Jodhani
Company Secretary	Mrs. Payal Jain (Till 31st Mar, 21)

B. Related Party Transactions

Transaction Type / Party	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Unsecured Loan Taken	-	-
Unsecured Loan Repaid	-	-
Short term employee benefits		
Managing Director - Mr Tapan Ghose	6.00	6.00
Chief Executive Officer & Director - Mr Ram Agarwal	48.00	43.00
Whole Time Director - Mrs Sonu Ram Agarwal	24.00	21.50

Continued....

Transaction Type / Party	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Director - Mr Raghu Shastri	18.20	14.51
Relative of Director - Mrs Parvati Agarwal	6.00	5.38
Relative of Director - Mr Santosh Agarwal	6.00	5.74
Relative of Director - Mrs Jayanti Ghose	6.00	6.00
Company Secretary - Ms Payal Jain	-	1.13
Sales Commission Payable		
Whole Time Director - Mr Vikas Agarwal	6.00	6.00
Rent Received / Receivable		
Chief Executive Officer - Mr Ram Agarwal	2.40	1.80
Sale of Products		
ProstarM Energy Systems Private Limited	1.78	-
Sale of Services		
ProstarM Energy Systems Private Limited	2.33	-
Purchase of Materials / Products		
ProstarM Energy Systems Private Limited	48.74	-
Investment in Share Capital		
Investment in Share Capital of ProstarM Energy Systems Pvt. Ltd.	345.78	-

The receivables from and payables to related parties as at 31st March, 2022 and 31st March, 2021 are set out below:

Related Party	As at 31st March 2022	As at 31st March 2021
Payable To		
Relative of Director - Shyam Sunder Agarwal (Unsecured Loan)	40.00	40.00
Chief Executive Officer & Director - Mr Ram Agarwal (Remuneration)	17.72	25.00
Whole Time Director - Mrs Sonu Ram Agarwal (Remuneration)	12.61	15.66
Whoe Time Director - Mr Raghu Shastri (Remuneration)	1.51	1.18
Director - Mr Vikas Agarwal (Commission)	10.79	5.78
Relative of Director - Mrs Parvati Agarwal (Salary)	9.73	8.09
Relative of Director - Mr Santosh Agarwal (Salary)	4.32	-
Company Secretary - Ms Payal Jain (Remuneration)	-	0.13
ProstarM Energy Systems Private Limited (Purchase)	14.57	-
Receivable From		
Relative of Director - Mr Santosh Agarwal (Salary Advance)	-	0.85
Managing Director - Mr Tapan Ghose (Salary Advance)	-	0.17

Note-1> Mr Ram Agarwal, CEO has also appointed as Director of the Company with effect from March 25, 2022.

Note-2> Mr Aniruddha Madhav Oke was appointed as an Independent Director with effect from March 25, 2022.

Note-3> Ms. Payal Jain, Company Secretary has resigned from her post with effect from 1st April, 2021.

Note-4> Ms. Nehal Kriti Gangar, Independent Director has resigned from her post with effect from 21st March, 2022.

(₹ in Lakhs)

40 EARNING PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
A. Nos. of Equity Shares outsanding at end of year	9083600	9083600
the year	9083600	9083600
C. Profit attributable to ordinary shareholders		
Profit (Loss) attributable to owners of Company (₹ In Lakhs)	1198.68	846.63
Less: Extraordinary/Exceptional Income after tax (₹ In Lakhs)	11.58	-12.05
Profit attributable to ordinary shareholders before exceptional income (₹ In Lakhs)	1187.10	858.68
Less: Income/(Expense) recognised in Reserves (₹ In Lakhs)	-	-
Net Profit / (loss) for the year, attributable to ordinary shareholders (₹ In Lakhs)	**1187.10**	**858.68**
D. Earning per Share before Exceptional Income		
Basic & Diluted Earning Per Share (In ₹)	**13.07**	**9.45**
E. Earning per Share after Exceptional Income		
Basic & Diluted Earning Per Share (In ₹)	**13.07**	**9.45**
F. Nominal Value of Shares (In ₹)	10.00	10.00

(₹ in Lakhs)

41 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Particulars	As at 31st March 2022	As at 31st March 2021
Contingent Liabilities		
Claims against the company not acknowledged as debt;	11.30	11.30
Performance Guarantees & LC excluding financial guarantees;	629.66	791.45
Other money for which the company is contingently liable	437.74	0.58
Commitments		
Estimated amount of contracts remaining to be executed on capital account & not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments	-	-

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

42 FINANCIAL RISK MANAGEMENT

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Financial Risk Factors

The Company's principal financial liabilities comprise of current and non current borrowings, trade and other payables, advance from customers, security deposits, retention moneys and other such payables. The main purpose of these financial liabilities is to manage finances for the Company's operations and also for purchase of capital assets and for safeguarding its interests under contracts.

The Company has given loans to its employees, trade and other receivables, investments in equity shares and cash and cash equivalents that arise directly from its operations as a part of its financial assets.

The Company's activities expose it to a variety of financial risks:

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors. Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables.

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Financial Instruments affected by Market Price Risk include investments made in equity instruments by the Company.

There are no currency rate risk on the Company since all the transactions are done in the functional currency (INR) except for nominal values of software development.

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

(₹ in Lakhs)

As at 31st March, 2022 Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	1.77	1.77	1.77	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	303.30	303.30	92.69	210.61
Lease Liability	-	-	-	-
Trade Payables	4543.75	4543.75	4543.75	-
Other Financial Liabilities	138.60	138.60	138.60	-

(₹ in Lakhs)

As at 31st March, 2021 Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	6.83	6.83	6.83	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	48.11	48.11	5.94	42.18
Lease Liability	-	-	-	-
Trade Payables	3797.37	3797.37	3797.37	-
Other Financial Liabilities	63.32	63.32	63.32	-

(₹ in Lakhs)

As at 31st March, 2020 Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	-	-	-	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	56.29	56.29	8.19	48.10
Lease Liability	-	-	-	-
Trade Payables	5152.68	5152.68	5152.68	-
Other Financial Liabilities	55.53	55.53	55.53	-

d) Interest Rate Risk

The Company is exposed to interest rate risk on short-term and long-term borrowings. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and accordingly, there is no currency exchange risk on interest rate.

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

(₹ in Lakhs)

43 TRADE PAYABLES - DISCLOSURES

43.1 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	4519.16	7.59	-	-	4526.75
(ii) Others	-	-	-	-	-
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

43.2 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	3623.13	11.95	-	-	3635.08
(ii) Others		-	-	-	-
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

43.3 DISCLOSURE FOR AMOUNT DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
A. Principal amount remaining unpaid (Refer Note 24)	-	-
B. Interest due thereon	-	-
C. Interest paid by company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to suppliers beyond the appointed day during the year	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
E. Interest accrued and remaining unpaid at the end of each accounting year;	-	-
F. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise	-	-

44 Disclosure of Loans & Advances to Promoters, Dierctors , KMPs & the Related Parties

(₹ in Lakhs)

Type of Borrower	Amount of loan or advance in the	Percentage to the total Loans and
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

Note: During the current and previous reporting period, company has not granted any loan or advances to promotores, directors, KMPs and their relatives.

(₹ in Lakhs)

45 TRADE RECEIVABLES - DISCLOSURES

45.1 Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	3093.81	51.19	213.80	27.75	51.56	3438.10
(ii) Undisputed Trade Rece., which have significant increase in credit risk	-		-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	5.03	-	34.07	-	-	39.10
(v) Disputed Trade Rece, which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	3098.84	51.19	247.87	27.75	51.56	3477.20

45.2 Ageing for trade receivables from the due date of payment for each of the category as at 31st Mar, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	3358.90	176.57	36.09	54.59	36.08	3662.23
(ii) Undisputed Trade Rece., which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Rece, which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	3358.90	176.57	36.09	54.59	36.08	3662.23

46 The Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, are materially in agreement with Books of Accounts except the following:
a) Inventory of Spare & Parts having value of ₹ 40.72 Lakhs at the end of reporting period were not declared in statements provided to banks;
b) Inventory value declared in the Statement provided to banks is inclusive of taxes;
c) There is some difference in the value of total trade receivables and trade creditros which have arisen on account of due reconciliation of debtors and creditors and also reconciliation with Form 26AS for TDS receivables.

47 There is no pending registration or modification or satisfaction of Charge at the end of reporting period, which required to filed with Registrar of Companies.

48 The Company does not have any relationship with Struckoff Companies and not entered into any transactions with struckoff companies in the current and previous reporting period.

(₹ in Lakhs)

49 RATIO ANALYSIS

Particulars	FY 2021-22	FY 2020-21	Variance	Reasons for Variance
	Rs.	Rs.	Rs.	
(a) Current Ratio	**1.47**	**1.55**	**-4.82%**	
- Current Assets	7210.74	6363.59		
- Current Liabilities	4897.79	4114.00		
(b) Debt-Equity Ratio	**0.09**	**0.02**	**292.41%**	Debts have been increased during the year.
- Total Debt	305.06	49.00		
- Shareholders Equity (Other than OCI)	3229.06	2035.46		
(c) Debt Service Coverage Ratio	**15.52**	**127.35**	**-87.81%**	Debts have been increased during the year.
-Earnings available for debt service	1711.00	1161.72		
-Debt Service	110.22	9.12		
(d) Return on Equity Ratio	**0.45**	**0.42**	**7.25%**	
- Net Profits after taxes	1193.60	829.28		
- Average Shareholder's Equity	2632.26	1961.46		
(e) Inventory turnover ratio	**5.57**	**8.22**	**-32.22%**	Inventory has been increased significantly during the year.
- Cost of Goods Sold or Sales	12924.37	10253.28		
- Average Inventory	2318.93	1246.96		
(f) Trade Receivables turnover ratio	**4.79**	**2.93**	**63.65%**	Significant decrease in debtors and increase in Turnorver
- Net Credit sales	17113.26	13100.07		
- Average Trade Debtors / Accounts receivable	3569.72	4471.83		
(g) Trade payables turnover ratio,	**3.38**	**2.51**	**34.60%**	Significant decrease in trade payables and increase in Turnorver
- Net Credit Purchases	14089.61	11231.98		
- Avergae Trade Payables	4170.56	4475.02		
(h) Net capital turnover ratio,	**7.50**	**9.30**	**-19.35%**	
- Net Sales	17113.26	13100.07		
- Average Working Capital	2281.27	1408.45		
(i) Net profit ratio,	**6.97%**	**6.33%**	**10.18%**	
- Net profit	1193.60	829.28		
- Net Sales	17113.26	13100.07		
(j) Return on Capital employed,	**37.96%**	**37.61%**	**0.94%**	
- Earnings Before Interest and tax	1658.98	1129.43		
- Capital employed	4370.47	3003.36		
(k) Return on investment.	**NA**	**NA**	**NA**	

50 The Company has not revalued its Property, Plant and Equipment during the year, hence, regulatory information disclosure is not applicable for the Company.

51 DETAILS OF TITLE DEEDS OF IMMOVABLE PROPERTIES

Description of item of property	Relevant line item in the Balance sheet	Gross carrying value (₹ In Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
Ground Floor, 36/2A, Ramakrishna Samadhi Road, P.s. Phoolbagan, Kolkata, West Bengal - 700054	PPE	26.15	Pagdi System	No	31-Mar-2015	As per system prevailing in the State
Shop No.2, Khemka House, Nilmani Society, Drive In Road, Memnagar, Ahmedabad, Gujrat, 380059, Ahmedabad, Gujrat	Investment Property	8.83	PISL[1]	No	31-Mar-2009	
Apartment No.3307, 33RD Floor,Parkwood D5 Phase II,Ghodbunder Road, Kavesar, Behind Dmart, Thane (West), 400615	Investment Property	57.22	PISL[1]	No	22-Mar-2022	
Apartment No.3308, 33RD Floor, Parkwood D5-Phase II, Ghodunder Road, Kavesar, Behind Dmart, Thane (West), 400615	Investment Property	57.22	PISL[1]	No	22-Mar-2022	
Plot No.464, Yamuna Expressway Area, Sector-32, Noida, UP	Investment Property	28.47	PISL[1]	No	13-Sep-2019	
Flat No. A3/12/F1/103, First Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sector-54, 56, 58, Nerul, Navi Mumbai.	Investment Property	159.30	PISL[1]	No	19-Mar-1998	
Shop No.6, Ground Floor, Neelkanth Corner Co-op HSG SOC Ltd, Plot No.2, Sector-2, Sanpada, Navi Mumbai, 400705	Investment Property	74.50	PISL[1]	No	20-Feb-2014	
Shop No.7, Ground Floor, Neelkanth Corner Co-op HSG SOC Ltd, Plot No.2, Sector-2, Sanpada, Navi Mumbai, 400706	Investment Property	42.70	PISL[1]	No	20-Feb-2014	

1. PISL stands for ProstarM Info Systems Limited.

52 Additional Regulatory Information pursuant to amendment in Schedule III of the Companies Act, 2013 dated 24.03.2021 has been given to the extent applicable to the Company.

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

53 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per IND AS 8 an entity is required to correct prior period error retrospectivley by restating the comparative amounts for the prior period presented in which the error occured. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earlier prior period presented. Therefore, in terms of provisions of IND AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening balance of retained earnings. However, in current year no such items identified which require such restatement.

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2021	As At 1st April, 2020
Expenses	-5.99	-2.64
Salaries	-2.93	-
Subsidy Balance W/O	-44.85	-
Error in Posting of Sale of PPE	2.56	-
Depreciation Impact - Sale of PPE	-8.11	-151.09
Depreciation on Investment Property	-5.84	-
OCI Tax Impact	-	-3.41
Staff Advances W/O	12.64	40.25
Impact on Deferred Tax		
Total Impact on profit/reserve	**-52.52**	**-116.89**
Increase/(Decrease) in EPS (in ₹)	**-0.58**	**-1.29**

54 RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS

Ind AS 101 requires an entity to reconcile, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from erstwhile Indian GAAP to Ind AS.

(I) Reconciliation of Shareholders' Equity

(₹ in Lakhs)

Nature of Adjustments	As at 31st March, 2021	As At 1st April, 2020
Shareholders' Equity as per Previous GAAP	2222.23	2004.34
Retrospective Application of Ind AS -19	-159.20	-151.09
Application of Ind AS - 40	-57.26	-6.05
Prior Period Adjustments	47.05	40.25
Deferred Tax Impact of above		
Shareholders' Equity as per Ind AS	**2052.82**	**1887.45**

In line with Ind AS 101, the above adjustments have been carried out through retained earnings in Reserves & Surpluses.

(II) Reconciliation of Profit /(Loss) after tax between Ind-AS and previous GAAP for the Year ended 31st March, 2021

(₹ in Lakhs)

Nature of Adjustments	For the Year Ended on 31st March, 2021
Net Profit /(Loss) as per Previous GAAP	**899.16**
Deferred Tax Adjustment on Re-measurement (gain)/loss	-5.84
Application of Ind AS -40	-8.11
Prior Period Adjustments	-51.22
Deferred Tax Impact of above	12.64
Net Profit / (Loss) as per Ind AS	**846.63**

(III) Reconciliation of Cash Flows for the Year ended March 31, 2021

The transition from erstwhile Indian GAAP to Ind AS has not made a material impact on the statement of cash flows.

55 PRINCIPAL DIFFERENCES BETWEEN IND AS AND INDIAN GAAP

I. Deferred Tax

The company has accounted for deferred tax on the various adjustments between Indian GAAP and IND AS at their effective tax rate.

II. Defined Benefit Obligation

Under previous GAAP, company has been charging the remeasurement (gain)/loss of employee benefits to profit and loss account whereas under Ind AS financial statements such (gain) /loss is accounted in Statement of Other Comprehensive Income alongwith the corresponding tax impact.

III. Investment Property

Under previous GAAP, the company was not charging depreciation and amortization on Investment Properties except on property on which depreciation was being charged as PPE. Under Ind AS financial statements, on application of Ind AS -40, investement properties are amortized as per their useful lives.

IV. Prior Period Items

Unde Indian GAAP, the impact of prior period items is required to be included in current period statement of profit and loss. However, as per Ind AS-8 an entity is required to correct prior period errors retrospectively by restating the compartive amounts for the prior period presented in which the error occured. if the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earliest prior period presented. Impact of the same has been given in Note No. 53.

56 DETAILS OF CORPORATE SOCIAL RESPONSBILITY (CSR) EXPENDITURES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Amount required to be spent as per Section 135 of Companies Act, 2013	16.81	11.58
Amount spent during the year on:		
(i) Acquisition / Construction of an Asset	-	-
(ii) on purpose other than (i) above	-	-
'-Direct Contribution to approved CSR Project/Activities /Programmes	17.50	11.70
'-Distribution of Foods/Cloths etc		

57 CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value . The Company's overall strategy remains unchanged from previous year.The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds.. The Company's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves. The following table summarizes the capital of the Company:

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Share Capital	908.36	908.36
Free Reserves	3251.50	2052.82
Equity (A)	**4159.86**	**2961.18**
Cash & Cash Equivalents	185.15	97.71
Short Term Investments	316.98	0.00
Total Cash (B)	**502.13**	**97.71**
Short-term Borrowings	94.45	6.83
Long-Term Borrowings	210.61	42.18
Total Debt (C)	**305.06**	**49.00**
Net Debt (D=(C-B))	**-197.07**	**-48.70**
Net Debt to Equity Ratio (E=D/A)	**(0.05)**	**(0.02)**

58 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Export of Goods / Services	-	-
Expenditure		
Purchase of Goods / Services	2372.61	1231.23
Purchase of Capital Goods	10.22	-
Component & Sapares	-	-

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

(₹ in Lakhs)

59 EMPLOYEE BENEFITS

As per Indian Accounting Standard (Ind AS 19) "Employee benefits", the disclosures as defined are given below:

A. Defined Contribution Plans:

Particualrs	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Employer's Contribution to Provident Fund	53.92	38.73
Employer's Contribution to Employee State Insurance Fund	13.65	9.48

B. Defined Benefit Plans

(I) Gratuity Benefits

1.1 (a) Change in Present Value of Obligation during the Period

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Defined Benefit Obligation, Beginning of Period	**61.90**	**67.28**
Interest Cost	4.49	4.71
Current Service Cost	16.54	13.11
Past Service Cost	-	-
Actual Benefits Paid	-	-
Actuarial (Gains)/Losses	-6.78	-23.19
Defined Benefit Obligation, End of Period	**76.14**	**61.90**

1.1 (b) Bifurcation of total Actuarial (gain) / loss on liabilities

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Actuarial gain / losses from changes in Demographics assumpti	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	-1.80	-23.19
Experience Adjustment (gain)/ loss for Plan liabilities	-4.99	0.00
Total amount recognized in other comprehensive income	**-6.78**	**-23.19**

1.2 Key results (The amount to be recognized in the Balance Sheet):

Particulars	As at 31st March 2022	As at 31st March 2021
Present Value of Obligation at the end of Period	76.14	61.90
Fair value of plan assets at end of Period	0.00	0.00
Net liability/(asset) recognized in Balance Sheet and related analysis	76.14	61.90
Funded Status - Surplus/ (Deficit)	**-76.14**	**-61.90**

1.3 (a) Expense recognised during the year in the Statement of Profit and Loss

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Interest Cost	4.49	4.71
Current Service Cost	16.54	13.11
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Total Expense/(Income) included in "Employee benefit Expense"	**21.02**	**17.82**

1.3 (b) Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Amount recognised in OCI, Beginning of period	-23.19	0.00
Actuarial (Gains)/Losses - Obligation	-6.78	-23.19
Actuarial (Gains)/Losses - Plan Asset	-	-
Total Acturaial (Gains)/Losses	-6.78	-23.19
Cumulative total Acturial (Gains)/Losses - C/F	**-29.98**	**-23.19**

1.3 (c) Net Interest Costs

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Interest cost on defined benefit Obligatoin	4.49	4.71
Interest income on plan assets	-	-
Net interest cost (Income)	**4.49**	**4.71**

1.4 Experience Adjustment

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Experience Adjustment (Gain) /loss for Plan liabilities	-4.99	-
Experience Adjustment Gain / (loss) for Plan assets	-	-

2.1 Summary of membership data at the date of valuation and statistics based thereon

Particulars	As at 31st March 2022	As at 31st March 2021
Number of Employees	382	333
Total monthly Salary (in Lakhs)	44.84	37.40
Average Past Service (Years)	3	2.9
Average Future Service (Years)	26.5	26.7
Average Age (Years)	33.5	33.3
Weighted Average Duration (based onDCFs) in years	21	22
Average Monthly Salary (in Lakhs)	0.12	0.11
Expected Future Service taking into account Decrements (Years)	15	

2.2 Actuarial Assumptions		
Discount Rate (per annum)	7.25%	7.00%
Salary Escalation rate (per annum)	6%	6%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal Rate (Per annum)	5%	5%

2.3 Benefits Valued		
Normal Retirement Age	60 Years	60 Years
Salary	Last Drawn Qualifying Salary	Last Drawn Qualifying Salary
Vesting Period	5 Years of Service	5 Years of Service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr).	15/26 * Salary * Past Service (yr).
Benefits on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	20.00	20.00

2.4 Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013)

Particulars	As at 31st March 2022	As at 31st March 2021
Current Liability (Short Term)	6.37	4.00
Non Current Liability (Long Term)	69.77	57.90
Liability/(Asset) recognised in the Balance Sheet	**76.14**	**61.90**

2.5 Effect of plan on entity's future cash flows

(a): Funding arrangements and funding policy

Not Applicable

(b): Expected contribution during the next annual reporting period

Company's best estimate of Contribution during next year	**21.79**	**18.21**

(c): Maturity profile of defined benefit obligation: Weighted Average

Weighted average duration (based on DCFs) in years	**21**	**22**

(d): Maturity Profile of Defined Benefit Obligation: Weight Average

01 Apr 2022 to 31 Mar 2023	6.37
01 Apr 2023 to 31 Mar 2024	1.00
01 Apr 2024 to 31 Mar 2025	1.06
01 Apr 2025 to 31 Mar 2026	1.13
01 Apr 2026 to 31 Mar 2027	1.25
01 Apr 2027 Onwards	65.32

2.6 Projection for next period:		
Best estimate for contribution during next period	**21.79**	**18.21**

2.7 Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Particulars	As at 31st March 2022
Defined Benefit Obligation (Base)	₹ 76.14 Lakhs @ Salary Increase Rate : 6% and discount rate :7.25%
Liability with x% increase in Discount Rate	₹ 68.54 Lakhs;x=1.00% [Change (10)%]
Liability with x% decrease in Discount Rate	₹ 85.19 Lakhs;x=1% [Change 12%]
Liability with x% increase in Salary Growth Rate	₹ 85.21 Lakhs;x=1% [Change 12%]
Liability with x% decrease in Salary Growth Rate	₹ 68.39 Lakhs;x=1% [Change (10)%]
Liability with x% increase in withdrawal Rate	₹ 76.48 Lakhs;x=1.00% [Change 0%]
Liability with x% decrease in withdrawal Rate	₹ 75.66 Lakhs;x=1.00% [Change (1)%]

2.8 Reconcilliation of amounts in Balance Sheet

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Opening Balance Sheet (Asset)/Liability	61.90	67.28
Total Expense/(Income) recognised in P&L	21.02	17.82
OCI- Actuarial (gain)/ loss-Total current period	-6.78	-23.19
Benefits Paid (if any)	-	-
Closing gross defined benefit liability/ (asset)	**76.14**	**61.90**

3.1 In preparing this report we have heavily relied on the completeness and accuracy of the information, data and assumptions provided to us orally and in writing by or on behalf of the Company and its advisors. We have not completed any detailed validation checks/investigation on the information, data and assumptions provided, however preliminary broad consistency is viewed in respect of data. As compared to previous valuation assumptions, changes, if any, may be due to change in yield to government bonds/change in entity's long term views for future.

3.2 This report is based on going concern basis and as per requirements of Accounting Standard mentioned above and its application to the Plan. These results should not be used for any other purpose. In particular this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels and hence results will not hold good incase company is closed or mass attrition. This report is provided solely for the company use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or provided to any third whatsoever is accepted by me for any consequences arising from any third party relying on this report or any advice relating to its contents. In any case, irrespective of vendor agreement etc. liability of undersigned towards entity or anyone is strictly limited to the billed amount for this report. The Company may provide copy of this Report to its auditors along with rules of the plan, but I make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the company or its auditors in this regard. The company should draw them provisions of this paragraph to the attention of its auditors.

4.1 Principal assumptions are discount rate and salary increase. The discount rate is based upon the yield on govt bonds and the salary increase should take account inflation, seniority, promotion and other relevant factors. However no explicit allowance is used for disability. As per Accounting Standard, selection ofappropriate assumption is responsibility of the entity. Though entity has been advised on the suitability wherever applicable, the report is based on assumptions finalized by the entity (after considering long term view entity might have

Risk Factors: Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability/expenses and OCI if any.

4.2 Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table. Rates at specimen ages are tabulated below:

Age (Years)	Rates
20	0.000924
25	0.000931
30	0.000977
35	0.001202
40	0.00168
45	0.002579
50	0.004436
55	0.007513
60	0.011162

5. Projected Unit Credit (PUC) Method: is used to assess the plan liabilities, including those related to death-inservice and incapacity benefits. Under this method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plans accrual formula and service as of the beginning or end of the year, but using final compensation, projected to the age at which the employee is assumed to exit. The plan liability is actuarial present value of the projected accrued benefits as on date of valuation.

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

60 FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.

Accordingly, fair value of such instruments is not materially different from their carrying amounts. The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Fair value measurement hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

(₹ in Lakhs)

Particulars	Level	Carrying Values		Fair Values	
		As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Financial Assets					
At Amortised Cost					
Trade Receivables		3477.20	3662.23	3477.20	3662.23
Cash & Bank Balances		271.65	464.57	271.65	464.57
Other Financial Assets		1010.70	450.17	1010.70	450.17
At FVPTL					
Investment in Subsidiaries	Level 3	345.78	0.00	0.00	0.00
Other Unquoted Equity Instruments	Level 3	-	-	-	-
Other Investments	Level 3	0.15	0.15	0.15	0.15
Other Financial Assets	Level 3	-	-	-	-
Financial Liabilities					
At Amortised Cost					
Borrowings		305.06	49.00	49.00	49.00
Other Financial Liabilities		277.19	126.65	126.65	126.65
Trade Payables		4543.75	3797.37	3797.37	3797.37
At FVPTL					
Other Financial Liabilities		-	-	-	-

61 **MISCELLANEOUS:**

(i) Previous years' figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.

(ii) Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof.

Report on Audit of Consolidated Financial Statements : 2021-22

PROSTARM

Power Redefined



ProstarM Info Systems Limited

Navi Mumbai

Audited By

Mansaka Ravi & Associates
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To

The Members of
PROSTARM INFO SYSTEMS LIMITED,
NAVI MUMBAI (MH)

Report on the audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of PROSTARM INFO SYSTEMS LIMITED *("the Holding Company")* and its subsidiary (the holding company and its subsidiary together referred to as "Group") which comprise the **Consolidated Balance Sheet as at March 31, 2022,** the Consolidated Statement of Profit and Loss (including Consolidated Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2022, the profit /loss and total comprehensive income, changes in equity 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 specified under section 143(10) of the Act (SAs). 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 audit 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 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. We have determined that there are no key audit matters to be communicated in our report.

Information other than the Consolidated financial statements and auditors' 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 Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Consolidated 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 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.

Management's Responsibility for the Consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and 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 also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements respective board of directors of the companies included in the Group are responsible for assessing the respective entity'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 Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the audit of 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 Standards of Auditing (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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its Subsidiary Company which are companies incorporated in India, 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 Group'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 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 Company 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 within the Group to express an opinion on the consolidated financial statements.
- 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.
- Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should

not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the paragraph 3(xxi) of Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order, 2020 reports of the companies included in the consolidated financial statements as mentioned in other matters paragraph above.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements.

b) In our opinion, proper books of account as required by law have been kept by the respective Companies of the Group so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss [Other Comprehensive Income] and Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2022, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Holding Company and its subsidiary is disqualified as on March 31, 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 Holding Company and its subsidiary and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on statutory audit report of the subsidiary, the remuneration paid by the Holding Company and its subsidiary to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Holding Company has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

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iv. a) The management has represented that, to the best of its knowledge and belief and upon consideration of report of statutory auditor of the subsidiary, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of its knowledge and belief and upon consideration of report of statutory auditor of the subsidiary, no funds have been received by the Company and its subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.

v. No Dividend is declared or paid by the Holding Company and its subsidiary during the year.

For Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C



(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 22410816AXWMUE2393
Place: Navi Mumbai
Date: 3rd September, 2022

Mansaka Ravi & Associates
Chartered Accountants
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Annexure "A" to the Auditor's Report

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of ProstarM Info Systems Limited ("the Holding Company") and its subsidiary (together referred to as the "Group") whose audit reports have been provided to us and which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Group which are companies incorporated in India, 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding 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 the 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. 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 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 Holding Company's and its subsidiary's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Holding Company's and its subsidiary'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 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 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 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 and in consideration of the statutory audit report of its subsidiary, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 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 Mansaka Ravi & Associates
Chartered Accountants
ICAI Firm Regn. No.: 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816

UDIN: 22410816AXWMUE2393
Place: Navi Mumbai
Date: 3rd September, 2022

PROSTARM INFO SYSTEMS LIMITED
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CIN: U31900PN2008PLC131272

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Notes	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	5	260.11	66.82	108.18
(b) Capital Work-in-Progress		-	-	-
(c) Investment Property	6	271.29	185.55	185.26
(d) Intangible Assets	7	268.53	0.17	-
(e) Intangible Assets under Development		-	-	-
(f) Right-of-Use Assets		-	-	-
(g) Financial Assets				
(i) Trade Receivables	8	327.18	126.77	743.86
(ii) Investments	9	0.15	0.15	0.15
(iii) Loans		-	-	-
(iv)Other financial assets	10	956.70	368.84	559.86
(h) Deferred Tax Assets		82.77	63.37	58.15
(i) Other non-current assets		-	-	-
Total Non-Current Assets		**2166.73**	**811.66**	**1655.47**
Current Assets				
(a) Inventories	11	3167.35	1736.31	757.61
(b) Financial Assets				
(i) Investments	12	317.08	-	-
(ii) Trade receivables	13	3162.64	3535.47	4537.56
(iii) Cash and cash equivalents	14	199.33	97.71	212.58
(iv) Bank balances other than (iii) above	15	86.50	366.87	25.91
(v) Loans	16	26.71	15.46	15.03
(vi) Others current financial assets	17	27.29	65.88	78.38
(c) Current Tax Asset (Net)	27	18.10	-	-
(d) Other Current Assets	18	635.27	545.91	422.53
Total Current Assets		**7640.28**	**6363.59**	**6049.61**
Total Assets		**9807.01**	**7175.26**	**7705.08**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	19	908.36	908.36	227.09
(b) Other Equity	20	3197.45	2052.82	1887.45
Equity attributable to owners of the Company		**4105.81**	**2961.18**	**2114.54**
Non-Controlling Interest		**280.29**		
Total Equity		**4386.10**	**2961.18**	**2114.54**

Continued...

Particulars	Notes	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
LIABILITIES				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	210.61	42.18	48.10
(ia) Lease Liabilities		-	-	-
(ii) Other financial liabilities		-	-	-
(b) Provisions	22	69.77	57.90	60.14
(c) Deferred tax Liabilities (Net)		-	-	-
(d) Other Non-Current Liabilities		-	-	-
Total Non-Current Liabilities		**280.38**	**100.07**	**108.24**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	94.45	6.83	8.19
(ia) Lease Liabilities		-	-	-
(ii) Trade payables		-	-	-
(a) total outstanding dues of micro enterprises and small enterprises; and		-	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	24	4773.89	3797.37	5152.68
(iii) Lease Liabilities		-	-	-
(iv) Other Financial Liabilities	25	149.30	63.32	55.53
(b) Other Current Liabilities	26	111.27	132.66	122.57
(c) Provisions	22	11.62	7.00	10.14
(d) Current Tax Liabilities	27	-	106.82	133.18
Total Current Liabilities		**5140.53**	**4114.00**	**5482.30**
Total Equity and Liabilities		**9807.01**	**7175.26**	**7705.08**

The accompanying Notes 1 to 61 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 22410816BBSMEN1678

Place : Navi Mumbai
Dated : 3rd September, 2022

For and on behalf of the Board of Directors of
ProstarM Info Systems Limited

(Tapan Ghose)
Managing Director
DIN:- 01719237

(Sonu Ram Agarwal)
Whole Time Director & CFO
DIN:- 01920474

(Ram Agarwal)
Director & CEO
DIN:- 01739245

(Vikas Agarwal)
Chairman & Non-Executive Director
DIN:- 01940262

PROSTARM INFO SYSTEMS LIMITED
Plot No. EL-35, TTC MIDC, Mahape, Navi Mumbai, Mumbai City, MH - 400701
Email: sales@prostarm.com, Website: www.prostarm.com, Tel: +91 22 49856522/26
CIN: U31900PN2008PLC131272

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2022

(₹ in Lakhs)

	Particulars	Notes	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
I.	Revenue from operations	28	17130.73	13100.07
II.	Other Income	29	74.03	11.81
III.	**Total Income (I +II)**		**17204.77**	**13111.88**
IV.	**Expenses:**			
	Purchase of Stock-in-Trade	30	14359.55	11231.98
	Changes in inventories of Stock-In-Trade	31	-1431.04	-978.70
	Other Operating Expenses	32	552.00	347.41
	Employee benefit expenses	33	1269.91	828.94
	Finance Costs	34	80.74	30.11
	Depreciation and amortization expenses	35	93.69	32.29
	Other Expenses	36	733.91	540.58
IV.	**Total Expenses**		**15658.75**	**12032.62**
V.	**Profit before exceptional and extraordinary items and tax**		**1546.02**	**1079.26**
VI.	Exceptional Items		-	-
VII.	**Profit before extraordinary items and tax (V - VI)**		**1546.02**	**1079.26**
VIII.	Extraordinary Items	37	46.01	-47.87
IX.	**Profit Before Taxes (VII-VIII)**		**1500.01**	**1127.13**
X.	**Tax expense:**			
	(1) Current tax	38	427.64	308.80
	(2) Tax of Earlier Years	38	5.85	0.11
	(3) Deferred tax	38	-21.11	-11.05
XI.	**Profit/(Loss) for the period (IX-X)**		**1087.62**	**829.28**
	Profit/(loss) from continuing operations attributable to:			
	Owners of the parent		**1139.55**	**829.28**
	Non-controlling interest		**-51.93**	**-**

Continued..

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Particulars	Notes	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
XII. **Other Comprehensive Income**			
(i) Items that will not be reclassified to profit or loss			
Fair value gain loss on investments		-	-
Remeasurement gain/loss on defined benefit obligation		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	59	6.78	23.19
(iii) Items that will be reclassified to profit or loss	38	-1.71	-5.84
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income (XII)		-	-
XIII. **Total Comprehensive Income for the period (XI+XII)**		**5.08**	**17.36**
Owners of the Parent		**1092.70**	**846.63**
Non-controlling interest		**-51.93**	**-**
XIV. **Earning per equity share:**		**1144.63**	**846.63**
(1) Basic (In ₹)		12.73	9.19
(2) Diluted (In ₹)		12.73	9.19

The accompanying Notes 1 to 61 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 22410816BBSMEN1678

Place : Navi Mumbai
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PROSTARM INFO SYSTEMS LIMITED

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CIN: U31900PN2008PLC131772

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
A Cash Flow From Operating Activities		
Net Profit / (Loss) Before Tax	**1500.01**	**1127.13**
Adjustments For		
Depreciation and Amortization Expense	93.69	32.29
Interest Income	-35.68	-32.86
Interest Expenses	15.76	2.29
Profit on Sale of Investments	-7.22	-5.00
Profit on sale of Property,plant & equipment (PPE)	-21.23	44.85
Remeasurment of defined benefit plan / Leave Encashment	21.02	17.82
Operating Profit Before Working Capital Changes	**1566.34**	**1186.52**
Adjustments For :		
Decrease/(Increase) in other financial assets	-549.27	203.53
Decrease/(Increase) in other assets	-107.46	-123.37
Decrease/(Increase) in Loans	-11.25	-0.43
Decrease/(Increase) in inventories	-1431.04	-978.70
Decrease/(Increase) in trade receivables	172.41	1619.19
Decrease/(Increase) in bank balance	280.36	-340.96
(Decrease)/Increase in Trade payables	976.53	-1355.31
(Decrease)/Increase in other financial liabilities	85.97	7.80
(Decrease)/Increase in other liabilites	-21.40	10.09
Increase/Decrease in Provisions	2.25	-
Cash Generated From Operations	**963.44**	**228.36**
Less: Direct Taxes Paid net of refund (including TDS)	540.31	335.27
Net Cash flow From Operating Activities	**423.13**	**-106.91**
B Cash Flow From Investing Activities		
Addition in Property, Plant & Equipment [PPE]	-248.61	-27.41
Addition in Intangible Assets	-298.80	-0.19
Addition / Deletion in Investment Properties	-72.44	-8.65
Interest Income	35.68	32.86
Purchase of Investments	-4663.10	-4002.80
Proceeds from Sale of Investments	4353.24	4007.81
Proceeds of Share Capital from Minorities	332.22	0.00
Net Cash (Used) In/From Investing Activities	**-561.81**	**1.62**
C Cash Flow From Financing Activities		
(Decrease)/Increase in Non Current Borrowings	168.43	-5.92
(Decrease)/Increase in Current Borrowings	87.63	-1.36
Interest paid on Borrowings	-15.76	-2.29
Net Cash (Used) In/From Financing Activities	**240.30**	**-9.58**

Prostarm Info Systems Limited Mumbai

Particulars		For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
D	Net Change in Cash & Cash Equivalents(A+B+C)	101.62	-114.88
E	Cash & Cash Equivalents at beginning of the year	97.71	212.58
F	Cash & Cash Equivalents at end of the year	199.33	97.71

Components of Cash & Cash Equivalents	As at 31st March 2022	As at 31st March 2021
Cash on Hand	7.93	4.48
Balance with Banks in Current Accounts	191.40	93.22
Cheques, Drafts on Hand	-	-

Reconciliation of Liabilities arising from Financing Activities - FY 2021 -2022

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	48.11	253.21	1.97	303.30
Short-term Borrowings Secured	-	-	-	-
Short-term Borrowings Unsecured	0.89	0.88	-	1.77
Total financial liabilities	**49.00**	**254.09**	**1.97**	**305.06**

Reconciliation of Liabilities arising from Financing Activities - FY 2020-21

Particulars	Opening Balance	Cash Flows	Non-Cash Flows	Closing Balance
Long-term Borrowings (Inc. current)	56.29	-8.22	0.04	48.11
Short-term Borrowings Secured	-	-	-	-
Short-term Borrowings Unsecured	-	0.89	-	0.89
Total financial liabilities	**56.29**	**-7.33**	**0.04**	**49.00**

Note:1 The Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".

Note-2: Previous Year's figures have been recasted/regrouped, wherever necessary, to confirm to the current year's figures.

The accompanying Notes 1 to 61 form an integral part of the Financial Statements.

As per our separate report of even date attached

For Mansaka Ravi & Associates
Chartered Accountants
FRN :- 015023C

(CA Ravi Mansaka)
Partner
M. No. 410816
UDIN: 22410816BBSMEN1678

Place : Navi Mumbai
Dated : 3rd September, 2022

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STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lakhs)

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting perio
908.36	-	908.36	-	908.36

(2) Previous reporting period

Balance at the beginning of the pervious reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting perio
908.36	-	908.36	-	908.36

B Other Equity

(₹ in Lakhs)

(1) Current reporting period

Particulars	Security Premium	Retained Earnings	Other Comprehensive Income	Total
Balance at the beginning of the current reporting period	-	2035.46	17.36	2052.82
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	2035.46	17.36	2052.82
Total Comprehensive Income for the current year		1139.55	5.08	1144.63
Dividends	-			-
Transfer to retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
Balance at the end of the current reporting period	-	3175.01	22.43	3197.45

Prostarm Info Systems Limited Mumbai

(2) Previous reporting period

(₹ in Lakhs)

Particulars	Security Premium	Retained Earnings	Other Comprehensive Income	Total
Balance at the beginning of the previous reporting period	-	1887.45	-	1887.45
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	1887.45	0.00	1887.45
Total Comprehensive Income for the previous year	-	829.28	17.36	846.63
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Capitalisation of Profits by Issue of Bonus Shares	-	-681.27		-681.27
Balance at the end of the previous reporting period	-	2035.46	17.36	2052.82

The accompanyisg Notes 1 to 61 form an integral part of the Financial Statements.
As per our separate report of even date attached

For Mansaka Ravi & Associates
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1. COMPANY OVERVIEW

PROSTARM INFO SYSTEMS LIMITED (erstwhile Prostar Micronova Power Systems Pvt Ltd), conceptualized and promoted by a group of entrepreneurs having varied experience in the field of Power Electronics, got incorporated on 11th January 2008 with the primary objective to provide energy efficient & clean power solutions to critical loads like ATMs & Microprocessor Based Systems/ Office Automation Equipment installed in banks & other financial institutions, corporate, academic institutes, hospitals/diagnostic centers, hospitality segment, railways & other PSUs.

ProstarM info Systems Limited, over the span of 13 glorious years, have graduated into a multifaceted entity specializing in providing solutions & services related to Power & Total Implementation/Infrastructure Solutions (TIS) in addition to the supply of flagship products like Uninterrupted Power Supply (UPS) Systems, Solar PV Power Plants, Batteries, Servo Controlled Voltage Stabilizers & other related power conditioning equipment.

The consolidated financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on 3rd September, 2022.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

a. Statement of compliance with Ind AS

These consolidated financial statements are prepared on accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

These are the Company's first Ind AS compliant financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards' has been applied. For all the periods upto and including 31 March 2021, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, accounting standards specified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013.

The Company followed the provisions of Ind AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition, viz. 1 April 2020. Some of the Company's Ind AS accounting policies used in the opening Balance Sheet are different from its previous GAAP policies applied as at 31 March 2020, and accordingly the adjustments were made to restate the opening balances as per Ind AS.

The resulting adjustments arose from events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognized directly through retained earnings as at 1 April 2020. This is the effect of the general rule of Ind AS 101 which is to apply Ind AS retrospectively. An explanation of how the transition to Ind AS has affected the reported financial position, financial performance and cash flows of the Company is provided in Note 54.



b. **Basis of Measurement**

The Consolidated Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

c. **Basis of consolidation**

i. **Subsidiaries**

The consolidated financial statements include Dinesh Engineers Limited and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power over the investee. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable are taken into account. The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance. Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were



disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind-AS 109 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

ii. **Associates**

Associates are those entities in which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control those policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity. The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting as described below.

iii. **Equity method of accounting (equity accounted investees)**

An interest in an associate or joint venture is accounted for using the equity method from the date in which the investee becomes an associate or a joint venture and are recognised initially at cost. The Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Company's share of profits or losses and equity movements of equity accounted investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture.

iv. **Business combination**

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standard.

d. Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

e. Current v/s Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within one year.

f. Functional and Presentation Currency

These Consolidated Financial Statements are prepared in Indian Rupee ("₹") which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals, except when otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Consolidated Financial Statement.

a) **Property, Plant and Equipment [PPE]**

(i) **Definition**

Property, plant and equipment are tangible items that:

(A) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

(B) are expected to be used during more than one period.

(ii) **Recognition & Initial Measurement**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

(iii) **Subsequent Measurement (depreciation and useful lives)**

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013.

Building	60 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years

ProstarM Info Systems Limited Mumbai

Electrical Installation and Equipment	8 years
Office Equipment	5 years
Computers	3 years
Vehicles	8 years

Depreciation on PPE sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such PPE are sold, discarded or demolished.

Leasehold land & building and improvements are amortized on the basis of duration and other terms of lease.

Right-of-use Assets (Building & Motor Vehicles under operating Lease) is amortised on a straight-line basis over the period of respective lease term.

The residual values, useful lives and methods of depreciation of PPE are reviewed at the end of each financial year considering the physical condition of the PPE and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalised. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

(iv) De-recognition

PPE are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

b) Capital Work-in-Progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

c) Intangible Assets

(i) Recognition and initial measurement

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

(ii) **Subsequent Measurement & Amortization**

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

(iii) **De-recognition**

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

d) **Investment Properties**

(i) **Recognition and initial measurement**

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

(ii) **Subsequent Measurement & Amortization**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any, subsequently. Depreciation is provided from the date the assets are put to use, on written down value method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013

Building	60 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Electrical Installation and Equipments	8 years
Office Equipments	5 years

Computers	3 years
Vehicles	8 years

Depreciation on PPE sold, discarded or demolished during the year, if any, is being provided pro-rata up to the date on which such PPE are sold, discarded or demolished.

Leasehold land & Building and improvements are amortised on the basis of duration and other terms of lease.

The residual values, useful lives and methods of depreciation of PPE are reviewed at the end of each financial year considering the physical condition of the PPE and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

(iii) De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

e) Revenue Recognition

(i) Revenue from contract with customer is recognised, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services.

(ii) Company generally follows mercantile system of accounting and recognizes significant items of income & expenditure on accrual basis. The revenues have been duly recognized in accordance with the provisions of Ind AS - 18 "Revenue Recognition". However, some of expenditures are accounted for on the receipt of bill or invoice of the same which are not material.

(iii) Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing service tax, Goods & Service Tax (GST) and other applicable indirect taxes.

(iv) Service tax / Goods & Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the services by the service provider on behalf of the Government. Accordingly, it is excluded from revenue.

(v) Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured with reliable certainty of realizing the consideration.

(vi) Unbilled income represents the value of services rendered but not yet been invoiced on the reporting date due to contractual terms.

(vii) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Interest is accounted on accrual basis on overdue receivables.

(viii) Dividend

Dividend income is recognized when the right to receive dividend is established.

f) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

(i) Company as a lessee

The Company's lease asset classes primarily consist of leases for land and building. The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contract existing and entered into on or after April 1, 2019.The Company has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The Company recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. In the comparative period, lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss over the lease term.

(ii) Company as a lessor

Assets given under operating leases are included in investment properties. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and need to be measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight-line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

g) Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

h) Taxation

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each

reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Sales Tax/ GST / VAT

Sales/ value added taxes paid on acquisition of assets or on incurring expenses are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

i) Inventories

Inventories being stock-in-trade are valued at the lower of cost and net realisable value.

Cost of these inventories are determined on First In First Out basis.

j) Employee Benefits

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is



not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

(ii) **Post-employment benefits –**

(a) **Defined benefit plans – Gratuity**

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and number of years of employment with Company. Presently the Company's gratuity plan is unfunded.

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 if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

(b) **Defined Contribution Plans – Provident Fund**

Provident Fund & Pension Fund are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust and Regional Provident Fund Commissioner respectively are charged to the Statement of Profit and Loss.

k) **Earning Per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

l) **Provisions and Contingencies**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

m) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

n) Segment Reporting

(i) Business Segment

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business comprises of communication infrastructure services and since it is the only reportable segment as envisaged in relevant Ind AS. Accordingly, no separate disclosure for Segment reporting is required to be made in the Consolidated financial statements of the Company.

(iii) Geographical Segment

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

o) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

p) Impairment of Non-Financial Assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life.

q) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

r) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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(A) Financial Assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement

Subsequent measurement of financial assets is described below -

a. Financial Assets (Debt instruments) at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

b. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative

gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The xtransferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt

instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset.

Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

In other words, trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.

- **Debt instruments measured at FVTOCI**: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(B) Financial liabilities

(i) Initial Recognition & Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans & borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through statement of profit and loss

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The

Company has not designated any financial liability as at fair value through statement of profit and loss.

(ii) **Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) **Buyers Credit**

The Company enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up to twelve months (for raw materials) and up to 36 months (for project materials). Where these arrangements are for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit (under Trade and other payables). Where these arrangements are for project materials with a maturity up to 36 months, the economic substance of the transaction is determined to be financing in nature, and these are classified as projects buyers' credit within borrowings in the statement of financial position.

(iv) **Financial liabilities – De-recognition**

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

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(v) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. For more information on financial instruments Refer Note No. 50.

s) **Investment in Subsidiaries, joint ventures and associates:**

Subsidiary: A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity

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and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.

Associate: Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.

Joint arrangement: A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

t) **Foreign currency transactions**

(i) **Initial Recognition**

In the Consolidated financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

(ii) **Conversion**

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

(iii) **Exchange Differences**

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

u) **Dividend Distribution**

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

v) **Prior Period Items**

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period

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then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

w) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated financial statements are elaborated in Note No. 4.

4. CRITICAL ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting year end. Although these estimates and associated assumptions are based upon historical experiences and various other factors besides management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on a periodic basis. Any revision in the accounting estimates is recognised in the period in which the results are known/ materialise.

Significant judgments and key sources of estimation in applying accounting policies are as follows:

a) Property, plant and equipment and useful life of property, plant and equipment and intangible assets

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

b) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Consolidated financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 40)

c) **Employee benefit expenses**

Actuarial valuation for gratuity, sick leave and leave encashment liability of the Company has been done by an independent actuarial valuer on the basis of data provided by the Company and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

d) **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets on unabsorbed depreciation/business loss have been recognised to the extent of deferred tax liabilities on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax assets. The Company has determined that it cannot recognise deferred tax assets on the tax losses carried forward as it is not probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Further details on taxes are disclosed in Note No. 38.

e) **Impairment of accounts receivable and advances**

Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses.

f) **Discounting of Security deposit, retention money and other long-term liabilities**

For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Consolidated financial statements.

g) **Amortized Cost for Employee Loans**

Employee loans, except for computer loans, have not been recorded using Effective Interest Rate method due to absence of any material impact on Consolidated financial statements and involvement of practical difficulties.

h) Investment in Equity Instruments

Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date.

i) Restatement of Prior Period Items

Material prior period items, i.e. items having a value of above Rs. 5.00 Lac have been restated in the previous year financials.

In terms of our attached report of even date

For Mansaka Ravi & Associates
Chartered Accountants
Firm Reg. No.: 015023C

(CA Ravi Mansaka)
Partner
Membership No. 410816

UDIN: 22410816AXWMUE2393

Place: Navi Mumbai
Date: 3rd September, 2022

For and on behalf of the Board of Directors of
ProstarM Info Systems Limited

Tapan [illegible]
Managing Director
DIN:01719231

Sonu Ram Agarwal
Whole Time Director & CFO
DIN:01920474

Ram Agarwal
CEO & Director
DIN:01739245

Vikas Agarwal
Chairman & Non-Executive Director
DIN: 01940262

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

5 PROPERTY, PLANT & EQUIPMENT

Refer Note 3(a) for accounting policy on Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1 April, 2021	Additions	Disposals	Closing as on 31 Mar, 2022	Opening as on 1 April, 2021	Additions	Disposals	Closing as on 31 Mar, 2022	As on 31st Mar, 2022	As on 31st Mar, 2021
Freehold Properties	26.15	-	-	**26.15**	6.77	0.94	-	**7.72**	**18.43**	19.38
Leasehold Properties	-	-	-	**-**	-	-	-	**-**	**-**	-
Plant & Equipments	1.05	53.09	-	**54.14**	0.02	3.35	-	**3.37**	**50.77**	1.02
Computers	46.63	64.64	-	**111.26**	33.71	24.40	-	**58.11**	**53.15**	12.91
Motor Cars	128.60	86.30	-	**214.89**	101.38	17.97	-	**119.35**	**95.54**	27.21
Furniture & Fixtures	8.72	16.45	-	**25.17**	4.76	3.34	-	**8.10**	**17.07**	3.96
Office Equipments	6.12	17.93	-	**24.05**	4.10	4.28	-	**8.38**	**15.67**	2.02
Tools & Dies	-	10.21	-	**10.21**	-	0.97	-	**0.97**	**9.24**	-
Two Wheelers	1.93	-	-	**1.93**	1.62	0.07	-	**1.69**	**0.24**	0.31
Total	**219.20**	**248.61**	**-**	**467.81**	**152.37**	**55.33**	**-**	**207.70**	**260.11**	**66.82**

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1 April, 2020	Additions	Disposals	Closing as on 31 Mar, 2021	Opening as on 1 April, 2020	Additions	Disposals	Closing as on 31 Mar, 2021	As on 31st Mar, 2021	As on 31st Mar, 2020
Freehold Properties	26.15	-	-	**26.15**	5.78	0.99	-	**6.77**	**19.38**	20.37
Leasehold Properties	-	-	-	**-**	-	-	-	**-**	**-**	-
Plant & Equipments	78.20	1.05	78.20	**1.05**	26.56	6.81	33.34	**0.02**	**1.02**	51.64
Computers	34.07	12.56	-	**46.63**	27.28	6.43	-	**33.71**	**12.91**	6.78
Motor Cars	118.76	9.84	-	**128.60**	93.51	7.88	-	**101.38**	**27.21**	25.25
Furniture & Fixtures	6.22	2.51	-	**8.72**	3.83	0.93	-	**4.76**	**3.96**	2.39
Office Equipments	4.66	1.45	-	**6.12**	3.32	0.77	-	**4.10**	**2.02**	1.34
Tools & Dies	-	-	-	-	-	-	-	-	-	-
Two Wheelers	1.93	-	-	**1.93**	1.53	0.09	-	**1.62**	**0.31**	0.40
Total	**269.98**	**27.41**	**78.20**	**219.20**	**161.81**	**23.91**	**33.34**	**152.37**	**66.82**	**108.38**

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

(₹ in Lakhs)

5 INVESTMENT PROPERTY

A. Completed Investment Properties

Refer Note 3(d) for accounting policy on Investment Properties

Particulars	Land Leasehold	Buildings	Total
Gross Block			
Balance as at 1st April, 2020	12.08	328.03	**340.11**
Additions	8.65	-	8.65
Disposals	-	-	-
Balance as at 31st March, 2021	20.73	328.03	**348.76**
Additions	7.74	-	7.74
Disposals	-	42.70	42.70
Balance as at 31st March, 2022	**28.47**	**285.33**	**313.80**
Accumulated Depreciation			
Balance as at 1st April, 2020	-	154.85	**154.85**
Additions	-	8.36	8.36
Adjustments/Disposals	-	0.00	-
Disposals	-		-
Balance as at 31st March, 2021	-	163.21	**163.21**
Additions	-	7.93	7.93
Disposals	-	14.18	14.18
Balance as at 31st March, 2022	**-**	**156.95**	**156.95**
Net Block			
Balance as at 1st April, 2020	12.08	173.18	185.26
Balance as at 31st March, 2021	20.73	164.82	185.55
Balance as at 31st March, 2022	**28.47**	**128.38**	**156.85**

B. Under Development Investment Properties

Particulars	Land Freehold	Buildings	Total
Balance as at 1st April, 2020	-	-	-
Additions	-	-	-
Deletions	-	-	-
Balance as at 31st March, 2021	-	-	-
Additions	-	114.45	114.45
Deletions	-	-	-
Balance as at 31st March, 2022	**-**	**114.45**	**114.45**

C. Total Investment Properties [A+B]

Balance as at 31st March, 2020	12.08	173.18	185.26
Balance as at 31st March, 2021	**20.73**	**164.82**	**185.55**
Balance as at 31st March, 2022	**28.47**	**242.82**	**271.29**

Prostarm Info Systems Limited Mumbai

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

6.1 Amount recognised in Statement of Profit or Loss for Investment Properties

Particulars	As at 31st March 2022	As at 31st March 2021
Rental Income derived from Investment Properties	4.38	2.70
Less: Direct Operating Expenses (including repairs & maintenance) generating rental income	3.68	1.83
Less: Direct Operating Expenses (including repairs & maintenance) that did not generate rental income	-	-
Profit arising from Investment Properties before Depreciation	0.70	0.87
Depreciation for the Year	7.93	8.36
Profit/(Loss) arising from Investment Properties	**-7.22**	**-7.49**

6.2 Leasing Arrangements

Minimum lease payments receivable under non-cancellable operating lease of investments properties are as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
Not Later than one Year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
Lease income recognised during the year in profit and loss	4.38	2.70

Note: Company has not entered into any lease agreement with the tenants

6.3 **Fair Values**

The Company has not got valued its investment properties and they are carried at amortized value in the financial statements.The Company has no restrictions on the realisability of its investment properties subject to Note 25.

6.4 **There are no contractual obligations to purchase, construct or develop investment property.**

6.5 **No contingent rent recognised / (adjusted) in the Profit or Loss in respect of operating lease.**

Prostarm Info Systems Limited Mumbai

PROSTARM INFO SYSTEMS LIMITED

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

7 INTANGIBLE ASSETS

(₹ in Lakhs)

Refer Note 3(c) for accounting policy on Intangible Assets

Particulars	Softwares	Technical Know How	Trademark	Total
Gross Carrying Value				
Balance as at 1st April, 2020	-	-	-	-
Additions	-	-	0.19	0.19
Disposals	-	-		-
Balance as at 31st March, 2021	-	-	**0.19**	**0.19**
Additions	2.67	296.13	-	**298.80**
Disposals	-	-	-	-
Balance as at 31st March, 2022	**2.67**	**296.13**	**0.19**	**298.98**
Accumulated Depreciation & Amortization				
Balance as at 1st April, 2020	-	-	-	-
Additions	-	-	0.02	**0.02**
Disposals	-	-	-	-
Balance as at 31st March, 2021	-	-	**0.02**	**0.02**
Additions	0.79	29.61	0.03	**30.43**
Disposals	-	-	-	-
Balance as at 31st March, 2022	**0.79**	**29.61**	**0.05**	**30.45**
Net Carrying Value				
Balance as at 31st March, 2020	-	-	-	-
Balance as at 31st March, 2021	-	-	**0.17**	**0.17**
Balance as at 31st March, 2022	**1.89**	**266.51**	**0.13**	**268.53**

Intangible Assets Under Development

Particulars	Softwares	Other	Total
Opening Balance as on 1st April, 2020	-	-	-
Additions during the year	-	-	-
Capitalised During the Year	-	-	-
Closing Balance as on 31st March, 2021	-	-	-
Additions during the Year	-	-	-
Capitalised During the Year	-	-	-
Closing Balance as on 31st March, 2022	-	-	-

Prostarm Info Systems Limited Mumbai

8 NON CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Secured, considered good			
Unsecured, considered good			
Due from Related Parties	-	-	-
Others	327.18	126.77	743.86
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - Credit Impaired	-	-	-
Less: Allowance for Expected Credit Loss	-	-	-
Total[1,2,3]	**327.18**	**126.77**	**743.86**

Notes: 1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 42.

2. For lien/charge against trade receivables refer Note No. 21 & 23.

3. No non-current trade receivables are due from directors or other officers of the Company either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

9 NON-CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Unquoted Investments carried at Cost			
(a) Investment in Mutual Funds	-	-	-
(b) Other Non-Current Investments			
Investment in Silver Coins	0.15	0.15	0.15
Total	**0.15**	**0.15**	**0.15**

Aggregate Values :	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
1. Aggregate amount of quoted investments	-	-	-
2. Aggregate amount of market value of quoted investments	-	-	-
3. Aggregate amount of unquoted investments	0.15	0.15	0.15
4. Aggregate amount of impairment in value of investments	-	-	-
	Level 3	**Level 3**	**Level 3**
Classification of Investments			
Unquoted Investments	0.15	0.15	0.15

10 OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Unsecured, considered good			
Security Deposits	271.10	148.58	98.74
Earnest Money Deposits	0.18	0.18	-
Retention Money Receivable	103.81	40.16	53.21
Bank deposits with more than 12 Months Maturity	572.57	170.86	398.86
Other Loans & Advances	9.05	9.05	9.05
Total	**956.70**	**368.84**	**559.86**

Prostarm Info Systems Limited Mumbai

11 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Inventories of Stock in Trade [1,2,3]	2834.94	1734.71	757.61
Inventories of Stock-in-Transit	291.69	-	-
Inventories of Spares & Parts	40.72	1.60	-
Total Closing Stock	**3167.35**	**1736.31**	**757.61**

Note: 1. Inventory includes Batteries, UPS and Inverters as a major component of total inventory. These materials are valued at lower of cost or net realisable value.

2. Entire inventory has been hypothecated as security against certain bank borrowings of the Company as at 31 Mar, 2022, 31st Mar, 2021 and 31 Mar, 2020. For more details of lien/charge against inventories refer Note No. 21 & 23.

3. Inventory has been verified and valued by the management only.

12 CURRENT FINANCIAL ASSET- INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Investments carried at Cost			
Unquoted Investments			
(a) Investment in Shares	-	-	-
(b) Investment in Mutual Funds			
13550. 527 Units of Axis Liquid Fund - Regular Growth	316.98	-	-
Units of ICICI Prodential Liquid Fund	0.10	-	-
Total	**317.08**	-	-

Aggregate Values :	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
1. Aggregate amount of quoted investments	-	-	-
2. Aggregate amount of market value of quoted investments	-	-	-
3. Aggregate amount of unquoted investments	317.08	-	-
4. Aggregate amount of impairment in value of investments	-	-	-
	Level 3	**Level 3**	**Level 3**
Classification of Investments			
Unquoted Investments	317.08	-	-

13 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Secured, considered good	-	-	-
Unsecured, considered good	3162.64	3535.47	4537.56
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - Credit Impaired	-	-	-
Total [1,2,3]	**3162.64**	**3535.47**	**4537.56**

Notes: 1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in Note No. 42.

2. For lien/charge against trade receivables refer Note No. 21 & 23.

3. No non-current trade receivables are due from directors or other officers of the Company either severally or jointly with any other person and no trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Prostarm Info Systems Limited Mumbai

14 CASH & CASH EQUIVALENTS[1]

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Balance with Banks			
In Current Accounts	191.40	93.22	211.35
Cheques, Drafts on Hand	-	-	-
Cash on Hand	7.93	4.48	1.24
Total	**199.33**	**97.71**	**212.58**

Note:1 There are no restriction with regard to cash and cash equivalents as at the end of reporting period and prior periods.

15 CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Deposits with Banks			
Earmarked balances with banks[1]	86.50	366.87	25.91
Total	**86.50**	**366.87**	**25.91**

Note:1 Earmarked balances with banks primarily consists of margin money against performance guarantees obtained by the company.

16 CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Unsecured, considered good			
Unsecured Loan to Related Party	-	-	-
Unsecured Loan to Other Companies	-	-	-
Loans and advances to Employees	26.71	15.46	15.03
Total	**26.71**	**15.46**	**15.03**

17 CURRENT FINANCIAL ASSETS - OTHER

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Receivable against GEDA Subsidy	27.29	65.88	78.38
Other Advances	-	-	-
Total	**27.29**	**65.88**	**78.38**

18 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Prepaid Expenses	11.36	10.73	1.60
Balances with Revenue Authorities	594.79	381.52	256.24
Advances for Purchase of Capital Assets	-	-	-
Advance to Vendors	29.12	153.66	158.51
Deferred Expenditures	-	-	6.18
Total	**635.27**	**545.91**	**422.53**

Prostarm Info Systems Limited Mumbai

Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

19 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
AUTHORISED			
1,40,00,000 Equity Shares of Rs. 10 each *(Previous Year 1,40,00,000 Equity Shares of Rs. 10/- each)*	2080.00	1400.00	1400.00
ISSUED, SUBSCRIBED & PAID-UP			
90,83,600 Equity Shares of Rs. 10 each fully paid up *(Previous Year 90,83,600 Equity Shares of Rs. 10/- each)*	908.36	908.36	227.09
Total	**908.36**	**908.36**	**227.09**

19.1 **The details of shareholders holding more than 5% of the shares are as follows:**

Name of Shareholder	As at 31st March, 2022		As at 31st March, 2021		As at 1st April, 2020	
	Nos.	%	Nos.	%	Nos.	%
Mr. Ram Agarwal	27,25,080	30.00%	27,25,080	30.00%	14,66,800	64.59%
Mrs. Parvati Shyamsunder Agarwal	12,09,420	13.31%	12,09,420	13.31%	2,91,000	12.81%
Mr. Vikas Agarwal	29,97,252	33.00%	29,97,252	33.00%	4,61,600	20.33%
Mrs. Sonu Ram Agarwal	18,16,724	20.00%	18,16,724	20.00%	5,000	0.22%

19.2 **Shareholding of Promoters including "Promoter Group"**

Name of Promoter	As at 31st March, 2022		As at 31st March, 2021		As at 1st April, 2020	
	Nos.	%	Nos.	%	Nos.	%
Mr. Ram Agarwal	27,25,080	30.00%	27,25,080	30.00%	14,66,800	64.59%
Mrs. Sonu Ram Agarwal	18,16,724	20.00%	18,16,724	20.00%	5,000	0.22%
Mrs. Parvati Shyamsunder Agarwal	-	-	12,09,420	13.31%	2,91,000	12.81%
Mr. Vikas Agarwal	-	-	29,97,252	33.00%	4,61,600	20.33%
Mr. Vikas Agarwal HUF	-	-	1,08,000	1.19%	27,000	1.19%
Mr. Sunita Agarwal	-	-	74,000	0.81%	18,500	0.81%
Mr. Shyam Sunder Agarwal	-	-	1,53,124	1.69%	1,000	0.04%
Total	**45,41,804**	**50.00%**	**90,83,600**	**100.00%**	**22,70,900**	**100.00%**

19.3 **Rights, preference and restrictions attached to Equity Shares**

(i) The company has one class of equity shares having a par value of Rs. 10 per share. All equity shares, in present and in future, rank *pari passu* with the existing equity shares of the company and each shareholder is entitled to one vote per share.

(ii) The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

(iii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) The company did not have outstanding calls unpaid by the directors and officers of the Company (Previous Year NIL) and also did not have any amount of forfeited shares (Previous Year NIL).

(v) The Company has not allotted any fully paid up equity shares without payment being received in cash and nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

(vi) During the period of last five years, the Company has issued Bonus Shares to its Shareholders by capitalisation of reserves to the extent of ₹ 681.27 Lakhs in the ratio of 3:1.

19.4 **Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Equity Shares at the begining of Year	90,83,600	22,70,900	22,70,900
Add: Issued Bonus Shares during the year	-	68,12,700	-
Less: Shares Cancelled on back during the year	-	-	-
Equity Shares at the end of the Year	**90,83,600**	**90,83,600**	**22,70,900**

Prostarm Info Systems Limited Mumbai

20 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Retained Earnings			
As per Last Balance Sheet	2035.46	1887.45	1195.25
Adjustments:			
Add: Profit For the Year	1139.55	829.28	692.21
Appropriations			
Less: Capitalisation by Issue of Bonus Shares	-	681.27	-
Total of Retained Earnings	**3175.01**	**2035.46**	**1887.45**
Other Comprehensive Income Reserve			
As per last balance sheet	17.36	-	-
Add: Other Comprehensive Income for the Year	5.08	17.36	-
Total of Other Comprehensive Reserves	**22.43**	**17.36**	-
Total of Other Equity	**3197.45**	**2052.82**	**1887.45**

Nature of Reserves

Retained Earnings represent the undistributed profits of the Company.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income(OCI). OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

21 FINANCIAL LIABILITIES - NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Secured Loans (against hypothecation of assets)			
Vehicle & Business Loans	263.30	8.11	16.29
Less: Current maturities of Long Term Debt	92.69	5.94	8.19
Term Loans from Banks[1]	**170.61**	**2.18**	**8.10**
Unsecured Loans			
From Directors	0.00	0.00	
From Relatives of Directors	40.00	40.00	40.00
Total	**210.61**	**42.18**	**48.10**

Details & Principals terms of Secured Loans:

Security	Amount of Installment	Rate of Interest	Purpose / Sanction Amount	Banker
Hypothecation of Car itself to the extent of 100% of loan outstanding.	0.26	8.35%	Vehicle Loan - ₹ 12.50 Lakh	ICICI Bank Ltd
Hypothecation of Car itself to the extent of 100% of loan outstanding.	0.42	8.50%	Vehicle Loan - ₹ 16.92 Lakh	ICICI Bank Ltd[1]
Hypothecation of Car itself to the extent of 100% of loan outstanding.	0.35	7.25%	Vehicle Loan - ₹ 14.61 Lakh	Axis Bank Ltd
Hypothecation of Car itself to the extent of 100% of loan outstanding.	1.02	7.75%	Vehicle Loan - ₹ 50.75 Lakh	BMW India Financial Services P Ltd
Primary Security - NIL. For details of collateral securities - Refer Note[3]	-	10.50%	Working Capital Term Loan - ₹ 250 Lakh	Bandhan Bank Limited[2 & 3]
First Pari Pasu Charge over the stock and book debts of the company. For collateral security details - Refer Note[4]	-	Repo + 3%	Business Loan - ₹ 200 Lakh	ICICI Bank Limited[4]
First Pari Pasu Charge over the stock and book debts of the company. For collateral security details - Refer Note[4]	-	Repo + 3%	Term Loan - ₹ 1000 Lakh	ICICI Bank Limited[4]

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Note 1>During the year 2021-22, company has repaid all installments of ICICI Vehicle Loan

Note 2> During the year 21-22, the Company has availed a business loan facility from Bandhan Bank Limited; however, in the same financial year the said facility has been taken over by the ICICI Bank

Note 3> Collateral Securities Offered to Bandhan Bank Limited against WCTL are as under

a) Exclusive charge on residential property by Equitable Mortgage situpted at Flat No. A3/12/F1/103, First Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sector 54, 55, 58, Nerul, Navi Mumbai, ad-measuring 129.50 sq ft in the name of the Company

b) FD lien marked to the tune of 0.30 Cr or such higher amount which is required to maintain 100% collateral cover for WCTL

c) Personal Guarantee of following persons has been offered:

i) Mr. Ram Agarwal
ii) Mr. Vikas Agarwal
iii) Mr. Santosh Agarwal
iv) Mrs. Sushila Agarwal

Note 4> Collateral Securities Offered to ICICI Bank Limited against Term Loan are as under:

a) First Paripasu Charge over Current Assets

b) Cash margin in form of FD of Rs. 7.75 million

c) One Industrial Property. To be specified in FY 22-23

d) Exclusive charge on residential property by Equitable Mortgage situpted at Flat No. A3/12/F1/103, First Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sector 54, 55, 58, Nerul, Navi Mumbai, ad-measuring 129.50 sq ft in the name of the Company

e) Personal Guarantee of following persons has been offered:

i) Mr. Ram Agarwal ii) Mr. Vikas Agarwal

Note 5>> The Company does not have any continuing default in repayment of loans and interest as on the reporting date.

22 PROVISIONS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March 2022		As at 31st March 2021		As at 1st April, 2020	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Provision for Employee Benefits						
Provision for Defined Benefits/Gratuity	69.77	6.37	57.90	4.00	60.14	7.14
Provision for Leave Encashments	-	-	-	-	-	-
Other Provisions	-	5.25	-	3.00	-	3.00
Total	**69.77**	**11.62**	**57.90**	**7.00**	**60.14**	**10.14**

Movement in Provisions

Particulars	As at 31st March 2021	Additions during the Year	Amount Paid / Adj. During the Year	As at 31st March 2022
Provision for Defined Benefits/Gratuity	61.90	14.24	-	76.14
Provision for Leave Encashments	0.00	-	-	-
Other Provisions	3.00	5.25	3.00	5.25

Movement in Provisions

Particulars	As at 1st April, 2020	Additions during the Year	Amount Paid / Adj. During the Year	As at 31st March 2021
Provision for Defined Benefits/Gratuity	67.28	-5.38	-	61.90
Provision for Leave Encashments	-	-	-	-
Other Provisions	3.00	3.00	3.00	3.00

23 FINANCIAL LIABILITIES - CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Secured			
From Banks			
Overdraft / Cash Credit Facility from Banks[1&2]	-	-	-
	-	-	-
From Others			
Unsecured			
From Banks			
Credit Card Dues	1.77	0.89	0.00
Current maturities of Long Term Debts (Note 21)	92.68	5.94	8.19
Total	**94.45**	**6.83**	**8.19**

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(A) Cash Credit Facilities - Axis Bank - ₹ 1000 Lakhs

Banker	Axis Bank
Sanction Limit (₹ in Lakhs)	1000.00
Outstanding **Limit** (₹ in Lakhs)	
Interest Rate	Repo Rate + 4.25%
Purpose	Working Capital Purpose
Cash Margin	Security cover to be maintained at 60% including Fixed Deposits in the name of Company
Security	a) Hypothecation of Current Assets of the company, both present and future. B) Exclusive equitable/registered mortgage charge on NA Residential Properties being land and building (tabulated below the Table). c) FDR of Rs. 3 Crores duly lien marked as per shortfall to maintain Collateral Cover of 60%.
Personal Guarantees	Further, secured by personal guarantee of Mr. Ram Agarwal, Mr Vikas Agarwal, Mr Santosh Agarwal & Mrs Sushila Agarwal

(B) Cash Credit Facility - ICICI Bank - ₹ 775 Lakhs

Banker	ICICI Bank
Sanction Limit (₹ in Lakhs)	775.00
Outstanding Limit (₹ in Lakhs)	-
Interest Rate (Bill Discounting)	Repo + 3%
Cash Margin (₹ in Lakhs)	77.50
Security	It is same as mentioned for business loan taken from ICICI Bank. See Note No. 21.
Personal Guarantees	Personal Guarantees of Mr Ram Agarwal & Vikas Agarwal

Note: 2 The Company does not have any continuing default in repayment of loans and interest as on the reporting date.

24 FINANCIAL LIABILITIES - CURRENT - TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
(a) total outstanding dues of micro enterprises and small enterprises;	-	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.	4788.47	3797.37	5152.68
Total	**4788.47**	**3797.37**	**5152.68**

Note: 1 Detailed ageing schedule and details of outstanding dues of micro enterprise and small enterprises are given at Note No.

25 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Interest accrued but not due on borrowings	1.97	0.04	0.08
Salary Payables including bonus	106.72	63.29	55.45
Directors Remuneration payable	29.44	-	-
Other Outstanding Expenses	11.17	-	-
Total	**149.30**	**63.32**	**55.53**

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26 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Statutory Liabilities	97.86	74.19	98.10
Advance Against Sale of Property	-	14.75	0.00
Advances from Customers	13.41	43.72	24.48
Total	**111.27**	**132.66**	**122.57**

27 CURRENT TAX LIABILITIES / ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Provision for Tax	427.64	308.80	238.60
TDS / Advance Tax Paid	445.75	201.98	105.42
Net Current Tax Liabilities/ Assets	**-18.10**	**106.82**	**133.18**

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Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

28 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Sale of Products	25730.61	18368.02
Less: Inter-Branch Sales	-9123.80	-5874.68
Net Revenue from Sale of Products (A)	**16606.81**	**12493.34**
Sale of Services	587.82	605.45
Less: Opening Unbilled Revenues from Services	-102.80	-101.52
Add: Closing Unbilled Revenues from Services	34.14	102.80
Net Revenue from Sale of Services (B)	**519.15**	**606.73**
Other Operating Revenues (C)	**4.77**	**-**
Total Revenue from Operations (A+B+C)	**17130.73**	**13100.07**

29 OTHER INCOMES

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Rent / Lease Income (Refer Note 6)	4.38	2.70
Interest Income on bank deposits	35.68	32.86
Foreign Exchange Gain / (Loss)	5.51	-2.98
Commission Income	-	8.00
Net Gain (Loss) on disposal of PPE/Investment Property	21.23	-44.85
Net Gain on Sale of Investments	7.22	5.00
Other Non-Operating Incomes	0.00	11.08
Total	**74.03**	**11.81**

30 PURCHASE OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Purchases made during the Year	23483.35	17106.66
Less: Inter-Branch Purchases	9123.80	-5874.68
Net Purchases of Stock-In-Trade	**14359.55**	**11231.98**

31 CHANGE-IN-INVENTORIES OF STOCK-IN-TRADE DURING THE YEAR

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Inventory at the Beginning of the Year	1736.31	757.61
Inventory at the End of the Year	3167.35	1736.31
Change-in-Inventory During the Year	**-1431.04**	**-978.70**

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32 OTHER OPERATING EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Freight & Transportation Charges	395.18	236.42
Labour Charges	9.20	2.76
Custom Clearing & Forwarding Charges	9.15	5.02
Service Charges	66.87	31.65
Installation Charges	33.43	42.82
Packing & Forwarding Charges	0.05	-
Tools & Consumable	0.20	-
Loading & Unloading Charges	37.92	28.74
Total	**552.00**	**347.41**

33 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Salary and Wages (Including Bonus)	1079.76	690.41
Directors' Remuneration	49.12	42.01
Staff Welfare Expenses	48.88	30.50
Contribution to provident and other funds	71.09	48.21
Provision for Defined Benefit Plans	21.02	17.82
Total	**1269.91**	**828.94**

34 FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Interest Expense	15.76	2.29
Other Borrowing Cost (upfont fees, renewal fees, etc)	25.91	2.00
Other Bank Charges	16.72	6.04
Interest / Penalty on Income-tax	22.02	19.50
Interest on TDS/TCS	0.32	0.22
Interest on Other Statutory Dues	-	0.06
Total	**80.74**	**30.11**

35 DEPRECIATION & AMORTIZATION EXP

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Depreciation on Tangible Assets (Refer Note-5)	55.33	23.91
Depreciation on Investment Properties (Refer Note-6)	7.93	8.36
Amortization on Intangible Assets (Refer Note-7)	30.43	0.02
Total	**93.69**	**32.29**

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36 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Corporate Social Responsbility Expenses	17.50	11.70
Business Promotion Expenses	7.80	0.18
Misc Expenses	7.70	13.48
Electricty & Water Charges	14.31	8.87
Insurance Charges	5.67	3.18
Interest, Late Fees & Demands - GST	16.92	2.42
Repair & Maintenance Charges	19.14	13.34
Tender Fee	7.63	5.85
Office & Misc Expenses	78.98	52.49
Postage & Courier Charges	4.58	1.96
Printing & Stationery	6.16	3.87
Professional & Consultancy Charges	81.08	43.89
Rent, Rates & Taxes	140.01	100.69
Telephone & Internet Exp	5.40	2.36
Travelling & Conveyance Expenses	294.60	254.74
Brokerage & Commission	10.41	18.55
Government Fee	8.09	-
Non Inventory Expenses	2.67	-
Audit Fees	5.25	3.00
Total	**733.91**	**540.58**

36.1 PAYMENT TO AUDITORS

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
a) Auditors	5.00	3.00
b) for taxation matters	-	-
c) for other services	-	-
Total	**5.00**	**3.00**

37 EXTRAORDINARY ITEMS

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Share (IPO) Expenses[1]	-	6.18
Penalty under GST Law	2.15	6.71
Tax Paid Under GST Law - Eway Bill	-	6.71
Sundry Balance Written Off	43.86	-67.48
Total	**46.01**	**-47.87**

Note:1>During the previous reporting period, company has filed its Draft Prospectus on "Emerge" Platform of National Stock Exchange of India. However, due to certain reasons, company has not filed its red hearing prospectus and accordingly, did not come up with the Initial Public Offer upto the end of the reporting period.



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Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

38 INCOME TAX EXPENSE

(₹ in Lakhs)

The major components of income tax expense for the year ended March 31, 2022 are indicated below:

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
a) Statement of Profit or Loss for the Year ended		
Current Tax :		
Current tax on profit for the year	427.64	308.80
Charge/Credit in respect of current tax for earlier year	5.85	0.11
Total Current Tax	**433.49**	**308.91**
Deferred Tax :		
Origination and reversal of temporary differences	27.89	-11.05
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total Deferred Tax :	**27.89**	**-11.05**
Total Tax Expense / (Credit) for the Year	**461.38**	**297.86**
b) Statement of Comprehensive Income for the Year ended		
Deferred tax (Credit) / charge on :		
Re-measurement of defined benefit obligations	1.71	5.84
Charge in respect of deferred tax for earlier year	-	-
Charge in respect of increase/(decrease) in tax rate	-	-
Total	**1.71**	**5.84**

(A) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Accounting Profits / (loss) before tax	1500.01	1127.13
Statutory income tax rate (%)	25.17	25.17
Tax at Indian statutory income tax rate	377.52	283.68
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	11.30	18.74
Permanent Disallowances	13.27	6.39
Changes in deferred tax balances due to the change in income tax rate for the year	-	-
Total Income-tax Expense / (Credit)	**402.09**	**308.80**
Effective income tax rate (%)	26.81%	27.40%

Note: The Government of India vide the Taxation Laws (Amendment) Act, 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay income tax at reduced rate effective 1st April, 2019, subject to certain conditions. Consequently, the Tax Expense for the current and previous reporting period has been provided for/ re-measured at reduced tax rate.

(B) The movement in deferred tax assets and liabilities during the financial year 2020-21 and 2021-22 are as under:

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2021	Charged / (Credited) to P&L	Charged / (Credited) to OCI	For the Year Ended on 31st March, 2022
Deferred Tax Assets :				
Provision of doubtful debts and advances	-	-	-	-
Provision of Gratuity (Employee Benefits)	9.74	11.13	-1.71	19.16
Carry forward of Capital Losses	0.00	2.80	-	2.80
Temporary Disallowances under IT Act	0.23	1.03	-	1.26
Deferred Tax Liabilities				
Property, Plant & Equipment	-53.40	-6.15	-	-59.55
Fair Valuation of Investments	-	-	-	-
Total	**-63.37**	**-21.11**	**1.71**	**-82.77**

Particulars	For the Year Ended on 31st March, 2020	Charged / (Credited) to P&L	Charged / (Credited) to OCI	For the Year Ended on 31st March, 2021
Deferred Tax Assets :				
Provision of doubtful debts and advances	-	-	-	-
Provision of Gratuity (Employee Benefits)	16.93	-1.35	-5.84	9.74
Carry forward of Capital Losses	-	-	-	-
Temporary Disallowances under IT Act	0.23	-	-	0.23
Deferred Tax Liabilities				
Property, Plant & Equipment	-40.99	-12.41	-	-53.40
Fair Valuation of Investments	-	-	-	-
Total	**-58.15**	**-11.05**	**5.84**	**-63.37**



39 RELATED PARTY TRANSACTIONS

(₹ in Lakhs)

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are reported as under:

A. Name of related parties and description of relation:

(i) Entities where control exist – Subsidiaries

Name of Company	Nature of Relationship
ProstarM Energy Systems Private Limited	Subsidiary

(ii) Other Related Parties

Name of Company / Entity	Nature of Relationship
Mr Shyam Sundar Agarwal	Relative of Director
Mr Santosh Agarwal	Relative of Director
Mrs Parvati Agarwal	Relative of Director
Mrs. Jayanti Ghose	Relative of Director
Aarcchor Innovations Private Limited	Significant Influenced Entity

(iii) Key Managerial Personnel (KMP)

Designation	Name
Managing Director	Mr. Tapan Ghose
Director & Chief Executive Officer	Mr. Ram Agarwal
Whole Time Director & Chief Financial Officer	Mrs. Sonu Ram Agarwal
Whole Time Director	Mr. Vikas Shyamsunder Agarwal
Whole Time Director	Mr. Raghu Ramesh Thammannashastri
Independent Director	Mr. Aniruddha Madhav Oke
Independent Director	Mr. Harsh Jodhani
Director of Subsidiary	Mr. Radhakrishnan Nair
Director of Subsidiary	Mr. Abhishek Jain
Company Secretary	Mrs. Payal Jain (Till 31st Mar, 21)

B. Related Party Transactions

Transaction Type / Party	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Unsecured Loan Taken	-	-
Unsecured Loan Repaid	-	-
Short term employee benefits		
Managing Director - Mr Tapan Ghose	6.00	6.00
Chief Executive Officer & Director - Mr Ram Agarwal	48.00	43.00
Whole Time Director - Mrs Sonu Ram Agarwal	24.00	21.50

Continued...

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Transaction Type / Party	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Director - Mr Raghu Shastri	18.20	14.51
Relative of Director - Mrs Parvati Agarwal	6.00	5.38
Relative of Director - Mr Santosh Agarwal	6.00	5.74
Relative of Director - Mrs Jayanti Ghose	6.00	6.00
Company Secretary - Ms Payal Jain	-	1.13
Sales Commission Payable		
Whole Time Director - Mr Vikas Agarwal	6.00	6.00
Rent Received / Receivable		
Chief Executive Officer - Mr Ram Agarwal	2.40	1.80
Reimbursement Against Expenses		
Director of Subsidiary - Mr. Radhakrishnan Nair	14.80	-
Sale of Goods / Services		
Aarcchor Innovations Private Limited	7.61	-
Director of Subsidiary - Mr. Radhakrishnan Nair	0.26	-
Purchase of Materials / Products		
Aarcchor Innovations Private Limited	484.80	-

The receivables from and payables to related parties as at 31st March, 2022 and 31st March, 2021 are set out below:

Related Party	As at 31st March 2022	As at 31st March 2021
Payable To		
Relative of Director - Shyam Sunder Agarwal (Unsecured Loan)	40.00	40.00
Chief Executive Officer & Director - Mr Ram Agarwal (Remuneration)	17.72	25.00
Whole Time Director - Mrs Sonu Ram Agarwal (Remuneration)	12.61	15.66
Whoe Time Director - Mr Raghu Shastri (Remuneration)	1.51	1.18
Director - Mr Vikas Agarwal (Commission)	10.79	5.78
Relative of Director - Mrs Parvati Agarwal (Salary)	9.73	8.09
Relative of Director - Mr Santosh Agarwal (Salary)	4.32	-
Company Secretary - Ms Payal Jain (Remuneration)	-	0.13
Receivable From		
Relative of Director - Mr Santosh Agarwal (Salary Advance)	-	0.85
Managing Director - Mr Tapan Ghose (Salary Advance)	-	0.17

Note-1> Mr Ram Agarwal, CEO has also appointed as Director of the Company with effect from March 25, 2022.

Note-2> Mr Aniruddha Madhav Oke was appointed as an Independent Director with effect from March 25, 2022.

Note-3> Ms. Payal Jain, Company Secretary has resigned from her post with effect from 1st April, 2021.

Note-4> Ms. Nehal Kriti Gangar, Independent Director has resigned from her post with effect from 21st March, 2022.



Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

40 EARNING PER SHARE

(₹ in Lakhs)

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
A. Nos. of Equity Shares outsanding at end of year	9083600	9083600
the year	9083600	9083600
C. Profit attributable to ordinary shareholders		
Profit (Loss) attributable to owners of Company (₹ In Lakhs)	1144.63	846.63
Less: Extraordinary/Exceptional Income after tax (₹ In Lakhs)	-11.58	12.05
Profit attributable to ordinary shareholders before exceptional income (₹ In Lakhs)	1156.21	834.59
Less: Income/(Expense) recognised in Reserves (₹ In Lakhs)	-	-
Net Profit / (loss) for the year, attributable to ordinary shareholders (₹ In Lakhs)	**1156.21**	**834.59**
D. Earning per Share before Exceptional Income		
Basic & Diluted Earning Per Share (In ₹)	**12.73**	**9.19**
E. Earning per Share after Exceptional Income		
Basic & Diluted Earning Per Share (In ₹)	**12.73**	**9.19**
F. Nominal Value of Shares (In ₹)	10.00	10.00

41 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Contingent Liabilities		
Claims against the company not acknowledged as debt;	11.30	11.30
Performance Guarantees & LC excluding financial guarantees;	629.66	791.45
Other money for which the company is contingently liable	437.74	0.58
Commitments		
Estimated amount of contracts remaining to be executed on capital account & not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments	-	-

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Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

42 FINANCIAL RISK MANAGEMENT

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Financial Risk Factors

The Company's principal financial liabilities comprise of current and non current borrowings, trade and other payables, advance from customers, security deposits, retention moneys and other such payables. The main purpose of these financial liabilities is to manage finances for the Company's operations and also for purchase of capital assets and for safeguarding its interests under contracts.

The Company has given loans to its employees, trade and other receivables, investments in equity shares and cash and cash equivalents that arise directly from its operations as a part of its financial assets.

The Company's activities expose it to a variety of financial risks:

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors. Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables.

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

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Financial Instruments affected by Market Price Risk include investments made in equity instruments by the Company.

There are no currency rate risk on the Company since all the transactions are done in the functional currency (INR) except for nominal values of software development.

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

As at 31st March, 2022 *(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	1.77	1.77	1.77	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	303.30	303.30	92.69	210.61
Lease Liability	-	-	-	-
Trade Payables	4773.89	4773.89	4773.89	-
Other Financial Liabilities	149.30	149.30	149.30	-

As at 31st March, 2021 *(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	6.83	6.83	6.83	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	48.11	48.11	5.94	42.18
Lease Liability	-	-	-	-
Trade Payables	3797.37	3797.37	3797.37	-
Other Financial Liabilities	63.32	63.32	63.32	-

As at 31st March, 2020 *(₹ in Lakhs)*

Particulars	Carrying Amount	Contractual Cash Flow	Upto 12 Months	1 to 5 Years
Overdraft Facility from Banks	-	-	-	-
Bill Discounted From Banks	-	-	-	-
Long-term Borrowings	56.29	56.29	8.19	48.10
Lease Liability	-	-	-	-
Trade Payables	5152.68	5152.68	5152.68	-
Other Financial Liabilities	55.53	55.53	55.53	-

d) Interest Rate Risk

The Company is exposed to interest rate risk on short-term and long-term borrowings. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and accordingly, there is no currency exchange risk on interest rate.

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Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

43 TRADE PAYABLES - DISCLOSURES

(₹ in Lakhs)

43.1 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	4519.16	7.59	-	-	4526.75
(ii) Others	-	-	-	-	-
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

43.2 Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	3623.13	11.95	-	-	3635.08
(ii) Others		-	-	-	-
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

43.3 DISCLOSURE FOR AMOUNT DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
A. Principal amount remaining unpaid (Refer Note 24)	-	-
B. Interest due thereon	-	-
C. Interest paid by company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to suppliers beyond the appointed day during the year	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
E. Interest accrued and remaining unpaid at the end of each accounting year;	-	-
F. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise	-	-

44 Disclosure of Loans & Advances to Promoters, Directors , KMPs & the Related Parties

(₹ in Lakhs)

Type of Borrower	Amount of loan or advance in the	Percentage to the total Loans and
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

Note: During the current and previous reporting period, company has not granted any loan or advances to promotores, directors, KMPs and their relatives.

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(₹ in Lakhs)

45 TRADE RECEIVABLES - DISCLOSURES

45.1 Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	3091.81	51.19	213.80	27.75	51.56	3438.10
(ii) Undisputed Trade Rece., which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	5.03	-	34.07	-	-	39.10
(v) Disputed Trade Rece, which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	3098.84	51.19	247.87	27.75	51.56	3477.20

45.2 Ageing for trade receivables from the due date of payment for each of the category as at 31st Mar, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	3358.90	176.57	36.09	54.59	36.08	3662.23
(ii) Undisputed Trade Rece., which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Rece, which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	3358.90	176.57	36.09	54.59	36.08	3662.23

46 The Quarterly Returns or Statement submitted to Banks pursuant to working capital facilities provided, are materially in agreement with Books of Accounts except the following.

a) Inventory of Spare & Parts having value of ₹ 40.72 Lakhs at the end of reporting period were not declared in statements provided to banks;

b) Inventory value declared in the Statement provided to banks is inclusive of taxes;

c) There is some difference in the value of total trade receivables and trade creditros which have arisen on account of due reconciliation of debtors and creditors and also reconciliation with Form 26AS for TDS receivables.

47 There is no pending registration or modification or satisfaction of Charge at the end of reporting period, which required to filed with Registrar of Companies.

48 The Company does not have any relationship with Struckoff Companies and not entered into any transactions with struckoff companies in the current and previous reporting period.

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51 RATIO ANALYSIS

(₹ in Lakhs)

Particulars	FY 2021-22	FY 2020-21	Variance	Reasons for Variance
	Rs.	Rs.	Rs.	
(a) Current Ratio	**1.49**	**1.55**	**-3.91%**	
- Current Assets	7640.28	6363.59		
- Current Liabilities	5140.53	4114.00		
(b) Debt-Equity Ratio	**0.10**	**0.02**	**291.09%**	Debts have been increased during the year.
- Total Debt	305.06	49.00		
- Shareholders Equity (Other than OCI)	3175.01	2035.46		
(c) Debt Service Coverage Ratio	**14.60**	**127.35**	**-88.53%**	Debts have been increased during the year.
- Earnings available for debt service	1609.45	1161.72		
- Debt Service	110.22	9.12		
(d) Return on Equity Ratio	**0.42**	**0.42**	**-1.26%**	
- Net Profits after taxes	1087.62	829.28		
- Average Shareholder's Equity	2605.24	1961.46		
(e) Inventory turnover ratio	**5.27**	**8.22**	**-35.87%**	Inventory has been increased significantly during the year.
- Cost of Goods Sold or Sales	12928.51	10253.28		
- Average Inventory	2451.83	1246.96		
(f) Trade Receivables turnover ratio	**4.79**	**2.93**	**63.53%**	Significant decrease in debtors and increase in Tunorver
- Net Credit sales	17130.73	13100.07		
- Average Trade Debtors / Accounts receivable	3576.03	4471.83		
(g) Trade payables turnover ratio,	**3.35**	**2.51**	**33.49%**	Significant decrease in trade payables and increase in Tunorver
- Net Credit Purchases	14359.55	11231.98		
- Avergae Trade Payables	4285.63	4475.02		
(h) Net capital turnover ratio,	**7.21**	**9.30**	**-22.44%**	
- Net Sales	17130.73	13100.07		
- Average Working Capital	2374.67	1408.45		
(i) Net profit ratio,	**6.35%**	**6.33%**	**0.29%**	
- Net profit	1087.62	829.28		
- Net Sales	17130.73	13100.07		
(j) Return on Capital employed,	**35.12%**	**37.61%**	**-6.62%**	
- Earnings Before Interest and tax	1515.77	1129.43		
- Capital employed	4316.42	3003.36		
(k) Return on investment.	**NA**	**NA**	**NA**	

52 **The Company has not revalued its Property, Plant and Equipment during the year, hence, regulatory information disclosure is not applicable for the Company.**

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51 DETAILS OF TITLE DEEDS OF IMMOVABLE PROPERTIES

Description of item of property	Relevant line item in the Balance sheet	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
Ground Floor, 36/2A, Ramakrishna Samadhi Road, P.s. Phoolbagan, Kolkata, West Bengal - 700054	PPE	26.15	Pagdi System	No	31-Mar-2015	As per system prevailing in the State
Shop No 2, Khemka House, Nilmani Society, Drive In Road, Memnagar, Ahmedabad, Gujrat, 380059, Ahmedabad, Gujrat	Investment Property	8.83	PISL[1]	No	31-Mar-2009	
Apartment No.3307, 33RD Floor,Parkwood D5-Phase II,Ghodbunder Road, Kavesar, Behind Dmart, Thane (West), 400615	Investment Property	57.22	PISL[1]	No	22-Mar-2022	
Apartment No.3308, 33RD Floor, Parkwood D5-Phase II, Ghodunder Road, Kavesar, Behind Dmart, Thane (West), 400615	Investment Property	57.22	PISL[1]	No	22-Mar-2022	
Plot No.464, Yamuna Expressway Area, Sector-32, Noida, UP	Investment Property	28.47	PISL[1]	No	13-Sep-2019	
Flat No. A3/12/F1/103, First Floor, Seawoods Estate Ltd, NRI Complex, Palm Beach Marg, Sector-54, 56, 58, Nerul, Navi Mumbai.	Investment Property	159.30	PISL[1]	No	19-Mar-1998	
Shop No.6, Ground Floor, Neelkanth Corner Co-op HSG SOC Ltd, Plot No.2, Sector-2, Sanpada, Navi Mumbai, 400705	Investment Property	74.50	PISL[1]	No	20-Feb-2014	
Shop No.7, Ground Floor, Neelkanth Corner Co-op HSG SOC Ltd, Plot No.2, Sector-2, Sanpada, Navi Mumbai, 400706	Investment Property	42.70	PISL[1]	No	20-Feb-2014	

1. PISL stands for ProstarM Info Systems Limited.

52 **Additional Regulatory Information pursuant to amendment in Schedule III of the Companies Act, 2013 dated 24.03.2021 has been given to the extent applicable to the Company.**

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Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

53 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per IND AS 8 an entity is required to correct prior period error retrospectivley by restating the comparative amounts for the prior period presented in which the error occured. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earlier prior period presented. Therefore, in terms of provisions of IND AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening balance of retained earnings. However, in current year no such items identified which require such restatement.

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2021	As At 1st April, 2020
Expenses		
Salaries	-5.99	-2.64
Subsidy Balance W/O	-2.93	-
Error in Posting of Sale of PPE	-44.85	-
Depreciation Impact - Sale of PPE	2.56	-
Depreciation on Investment Property	-8.11	-151.09
OCI Tax Impact	-5.84	-
Staff Advances W/O	-	-3.41
Impact on Deferred Tax	12.64	40.25
Total Impact on profit/reserve	**-52.52**	**-116.89**
Increase/(Decrease) in EPS (in ₹)	**-0.58**	**-1.29**

54 RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS

Ind AS 101 requires an entity to reconcile, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from erstwhile Indian GAAP to Ind AS.

(I) Reconciliation of Shareholders' Equity *(₹ in Lakhs)*

Nature of Adjustments	As at 31st March, 2021	As At 1st April, 2020
Shareholders' Equity as per Previous GAAP	2222.23	2004.34
Retrospective Application of Ind AS -19		
Application of Ind AS - 40	-159.20	-151.09
Prior Period Adjustments	-57.26	-6.05
Deferred Tax Impact of above	47.05	40.25
Shareholders' Equity as per Ind AS	**2052.82**	**1887.45**

In line with Ind AS 101, the above adjustments have been carried out through retained earnings in Reserves & Surpluses.

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(II) Reconciliation of Profit /(Loss) after tax between Ind-AS and previous GAAP for the Year ended 31st March, 2021

(₹ in Lakhs)

Nature of Adjustments	For the Year Ended on 31st March, 2021
Net Profit /(Loss) as per Previous GAAP	**899.16**
Deferred Tax Adjustment on Re-measurement (gain)/loss	-5.84
Application of Ind AS -40	-8.11
Prior Period Adjustments	-51.22
Deferred Tax Impact of above	12.64
Net Profit / (Loss) as per Ind AS	**846.63**

(III) Reconciliation of Cash Flows for the Year ended March 31, 2021

The transition from erstwhile Indian GAAP to Ind AS has not made a material impact on the statement of cash flows.

55 PRINCIPAL DIFFERENCES BETWEEN IND AS AND INDIAN GAAP

I. Deferred Tax

The company has accounted for deferred tax on the various adjustments between Indian GAAP and IND AS at their effective tax rate.

II. Defined Benefit Obligation

Under previous GAAP, company has been charging the remeasurement (gain)/loss of employee benefits to profit and loss account whereas under Ind AS financial statements such (gain) /loss is accounted in Statement of Other Comprehensive Income alongwith the corresponding tax impact.

III. Investment Property

Under previous GAAP, the company was not charging depreciation and amortization on Investment Properties except on property on which depreciation was being charged as PPE. Under Ind AS financial statements, on application of Ind AS -40, investement properties are amortized as per their useful lives.

IV. Prior Period Items

Unde Indian GAAP, the impact of prior period items is required to be included in current period statement of profit and loss. However, as per Ind AS-8 an entity is required to correct prior period errors retrospectively by restating the compartive amounts for the prior period presented in which the error occured. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earliest prior period presented. Impact of the same has been given in Note No. 53.

56 DETAILS OF CORPORATE SOCIAL RESPONSBILITY (CSR) EXPENDITURES

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Amount required to be spent as per Section 135 of Companies Act, 2013	16.81	11.58
Amount spent during the year on:		
(i) Acquisition / Construction of an Asset	-	-
(ii) on purpose other than (i) above	-	-
-Direct Contribution to approved CSR Project/Activities /Programmes	17.50	11.70
-Distribution of Foods/Cloths etc		

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57 CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value . The Company's overall strategy remains unchanged from previous year.The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds . The Company's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves. The following table summarizes the capital of the Company

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Share Capital	908.36	908.36
Free Reserves	3197.45	2052.82
Equity (A)	**4105.81**	**2961.18**
Cash & Cash Equivalents	199.33	97.71
Short Term Investments	317.08	0.00
Total Cash (B)	**516.41**	**97.71**
Short-term Borrowings	94.45	6.83
Long-Term Borrowings	210.61	42.18
Total Debt (C)	**305.06**	**49.00**
Net Debt (D=(C-B))	**-211.35**	**-48.70**
Net Debt to Equity Ratio (E=D/A)	**(0.05)**	**(0.02)**

58 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):

(₹ in Lakhs)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Export of Goods / Services	-	-
Expenditure		
Purchase of Goods / Services	2372.61	1231.23
Purchase of Capital Goods	10.22	-
Component & Sapares	-	-





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Notes forming part of the Standalone Statement of Assets & Liabilities as at 31st March, 2022

59 EMPLOYEE BENEFITS

(₹ in Lakhs)

As per Indian Accounting Standard (Ind AS 19) "Employee benefits", the disclosures as defined are given below:

A. Defined Contribution Plans:

Particualrs	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Employer's Contribution to Provident Fund	53.92	38.73
Employer's Contribution to Employee State Insurance Fund	13.65	9.48

B. Defined Benefit Plans

(I) Gratuity Benefits

1.1 (a) Change in Present Value of Obligation during the Period

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Defined Benefit Obligation, Beginning of Period	**61.90**	**67.28**
Interest Cost	4.49	4.71
Current Service Cost	16.54	13.11
Past Service Cost	-	-
Actual Benefits Paid	-	-
Actuarial (Gains)/Losses	-6.78	-23.19
Defined Benefit Obligation, End of Period	**76.14**	**61.90**

1.1 (b) Bifurcation of total Actuarial (gain) / loss on liabilities

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Actuarial gain / losses from changes in Demographics assumpti	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	-1.80	-23.19
Experience Adjustment (gain)/ loss for Plan liabilities	-4.99	0.00
Total amount recognized in other comprehensive income	**-6.78**	**-23.19**

1.2 Key results (The amount to be recognized in the Balance Sheet):

Particulars	As at 31st March 2022	As at 31st March 2021
Present Value of Obligation at the end of Period	76.14	61.90
Fair value of plan assets at end of Period	0.00	0.00
Net liability/(asset) recognized in Balance Sheet and related analysis	76.14	61.90
Funded Status - Surplus/ (Deficit)	**-76.14**	**-61.90**

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1.3 (a) Expense recognised during the year in the Statement of Profit and Loss

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Interest Cost	4.49	4.71
Current Service Cost	16.54	13.11
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Total Expense/(Income) included in "Employee benefit Expense"	**21.02**	**17.82**

1.3 (b) Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Amount recognised in OCI, Beginning of period	-23.19	0.00
Actuarial (Gains)/Losses - Obligation	-6.78	-23.19
Actuarial (Gains)/Losses - Plan Asset	-	-
Total Acturaial (Gains)/Losses	-6.78	-23.19
Cumulative total Acturial (Gains)/Losses - C/F	**-29.98**	**-23.19**

1.3 (c) Net Interest Costs

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Interest cost on defined benefit Obligatoin	4.49	4.71
Interest income on plan assets	-	-
Net interest cost (Income)	**4.49**	**4.71**

1.4 Experience Adjustment

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Experience Adjustment (Gain) /loss for Plan liabilities	4.99	-
Experience Adjustment Gain / (loss) for Plan assets	-	-

2.1 Summary of membership data at the date of valuation and statistics based thereon

Particulars	As at 31st March 2022	As at 31st March 2021
Number of Employees	382	333
Total monthly Salary (in Lakhs)	44.84	37.40
Average Past Service (Years)	3	2.9
Average Future Service (Years)	26.5	26.7
Average Age (Years)	33.5	33.3
Weighted Average Duration (based onDCFs) in years	21	22
Average Monthly Salary (in Lakhs)	0.12	0.11
Expected Future Service taking into account Decrements (Years)	15	

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2.2 Actuarial Assumptions

Discount Rate (per annum)	7.25%	7.00%
Salary Escalation rate (per annum)	6%	6%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal Rate (Per annum)	5%	5%

2.3 Benefits Valued

Normal Retirement Age	60 Years	60 Years
Salary	Last Drawn Qualifying Salary	Last Drawn Qualifying Salary
Vesting Period	5 Years of Service	5 Years of Service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr).	15/26 * Salary * Past Service (yr).
Benefits on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	20.00	20.00

2.4 Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013)

Particulars	As at 31st March 2022	As at 31st March 2021
Current Liability (Short Term)	6.37	4.00
Non Current Liability (Long Term)	69.77	57.90
Liability/(Asset) recognised in the Balance Sheet	**76.14**	**61.90**

2.5 Effect of plan on entity's future cash flows

(a): Funding arrangements and funding policy

Not Applicable

(b): Expected contribution during the next annual reporting period

Company's best estimate of Contribution during next year	**21.79**	**18.21**

(c): Maturity profile of defined benefit obligation: Weighted Average

Weighted average duration (based on DCFs) in years	**21**	**22**

(d): Maturity Profile of Defined Benefit Obligation: Weight Average

01 Apr 2022 to 31 Mar 2023	6.37
01 Apr 2023 to 31 Mar 2024	1.00
01 Apr 2024 to 31 Mar 2025	1.06
01 Apr 2025 to 31 Mar 2026	1.13
01 Apr 2026 to 31 Mar 2027	1.25
01 Apr 2027 Onwards	65.32

2.6 Projection for next period:

Best estimate for contribution during next period	**21.79**	**18.21**



2.7 Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Particulars	As at 31st March 2022
Defined Benefit Obligation (Base)	₹ 76.14 Lakhs @ Salary Increase Rate : 6% and discount rate :7.25%
Liability with x% increase in Discount Rate	₹ 68.54 Lakhs;x=1.00% [Change (10)%]
Liability with x% decrease in Discount Rate	₹ 85.19 Lakhs;x=1% [Change 12%]
Liability with x% increase in Salary Growth Rate	₹ 85.21 Lakhs;x=1% [Change 12%]
Liability with x% decrease in Salary Growth Rate	₹ 68.39 Lakhs;x=1% [Change (10)%]
Liability with x% increase in withdrawal Rate	₹ 76.48 Lakhs;x=1.00% [Change 0%]
Liability with x% decrease in withdrawal Rate	₹ 75.66 Lakhs;x=1.00% [Change (1)%]

2.8 Reconcilliation of amounts in Balance Sheet

Particulars	For the Year Ended on 31st March, 2022	For the Year Ended on 31st March, 2021
Opening Balance Sheet (Asset)/Liability	61.90	67.28
Total Expense/(Income) recognised in P&L	21.02	17.82
OCI- Actuarial (gain)/ loss-Total current period	-6.78	-23.19
Benefits Paid (If any)	-	-
Closing gross defined benefit liability/ (asset)	**76.14**	**61.90**

3.1 In preparing this report we have heavily relied on the completeness and accuracy of the information, data and assumptions provided to us orally and in writing by or on behalf of the Company and its advisors. We have not completed any detailed validation checks/investigation on the information, data and assumptions provided, however preliminary broad consistency is viewed in respect of data. As compared to previous valuation assumptions, changes, if any, may be due to change in yield to government bonds/change in entity's long term views for future.

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3.2 This report is based on going concern basis and as per requirements of Accounting Standard mentioned above and its application to the Plan. These results should not be used for any other purpose. In particular this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels and hence results will not hold good incase company is closed or mass attrition. This report is provided solely for the company use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or provided to any third whatsoever is accepted by me for any consequences arising from any third party relying on this report or any advice relating to its contents. In any case, irrespective of vendor agreement etc. liability of undersigned towards entity or anyone is strictly limited to the billed amount for this report. The Company may provide copy of this Report to its auditors along with rules of the plan, but I make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the company or its auditors in this regard. The company should draw them provisions of this paragraph to the attention of its auditors.

4.1 Principal assumptions are discount rate and salary increase. The discount rate is based upon the yield on govt bonds and the salary increase should take account inflation, seniority, promotion and other relevant factors. However no explicit allowance is used for disability. As per Accounting Standard, selection ofappropriate assumption is responsibility of the entity. Though entity has been advised on the suitability wherever applicable, the report is based on assumptions finalized by the entity (after coesidering long term view entity might have

Risk Factors: Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability/expenses and OCI if any.

4.2 Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table. Rates at specimen ages are tabulated below:

Age (Years)	Rates
20	0.000924
25	0.000931
30	0.000977
35	0.001202
40	0.00168
45	0.002579
50	0.004436
55	0.007513
60	0.011162

5. Projected Unit Credit (PUC) Method: is used to assess the plan liabilities, including those related to death-inservice and incapacity benefits. Under this method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plans accrual formula and service as of the beginning or end of the year, but using final compensation, projected to the age at which the employee is assumed to exit. The plan liability is actuarial present value of the projected accrued benefits as on date of valuation.

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Notes forming part of the Consolidated Statement of Assets & Liabilities as at 31st March, 2022

60 FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.

Accordingly, fair value of such instruments is not materially different from their carrying amounts. The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Fair value measurement hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.