



STERLING POWERGENSYS LIMITED

(Formerly known as STERLING STRIPS LIMITED) C.I.N.: L29213MH1984PLC034343
Reg. Off.: Office No. 121, Runwal Commercial Complex, Near Santoshmata Mandir,
L.B.S. Marg, Mulund West, Mumbai 400080
Email: sterlingstrips84@gmail.com, sterlingepc@gmail.com, sales@splsolar.in
Tel.: 2560 5588 Mobile No.: +91 9321803234 www.splsolar.in

Date: 03rd June, 2023

To,
The Manager,
Listing Department,
BSE Limited,
P.J.Towers,
Dalal Street, Fort,
Mumbai-400001

Ref No.: Stock Code -513575

Subject: Annual Report along with the Notice of the 38th Annual General Meeting of the Company

Dear Sir,

Please find enclosed herewith the Annual Report for the financial year 2022-23 along with the Notice of 38th Annual General Meeting of the Members of the Company scheduled to be held on Monday, 26th June, 2023 at 03:00 p.m. at Nisarga Restaurant, Runwal Commercial Complex, L.B.S. Road, Mulund West – 400080, Maharashtra, India.

Kindly acknowledge the receipt and take the same on record.

Yours faithfully,

FOR STERLING POWERGENSYS LIMITED

**SANKARAN VENKATA SUBRAMANIAN
MANAGING DIRECTOR
DIN: 00107561**

Encl: As above.



STERLING POWERGENSYS LIMITED

(CIN - L29213MH1984PLC034343)

38TH
ANNUAL REPORT
2022-2023



STERLING POWERGENSYS LIMITED

(CIN - L29213MH1984PLC034343)

CORPORATE INFORMATION

BOARD OF DIRECTORS & KMP

MR. SANKARAN VENKATA SUBRAMANIAN	: MANAGING DIRECTOR
MRS. RAJLAXMI IYAR	: NON EXECUTIVE DIRECTOR
MR. YASH DHARMENDRA SANGHVI	: NON EXECUTIVE DIRECTOR
MR. SHANKAR RAMNATH IYER	: INDEPENDENT DIRECTOR
MR. HARISHCHANDRA BHARAMA NAUKUDKAR	: INDEPENDENT DIRECTOR AND CHAIRMAN
MR. GAURAV KAUSHIK	: COMPANY SECRETARY AND COMPLIANCE OFFICER
MR. PUNDLIK RANABA DAVANE	: CHIEF FINANCIAL OFFICER

BANKER: BANK OF MAHARASHTRA

UNIT-I

A-8/4, MIDC Industrial Area,
Murbad, Dist: Thane, - 421 401.
Maharashtra, India.

REGISTERED OFFICE

Office No. 121, Runwal Commercial Complex,
Co-Op Premises Ltd, L.B.S. Marg,
Mulund (West) Mumbai-400080,
Maharashtra, India.

EMAIL ID: sterlingstrips84@gmail.com

Mobile No: 9619572230/9321803234

UNIT – II

Indian Corporation, Bldg.No. 190,
Godow No - 8 Gundavaligaon,
Dapoda Village, Mankoli Naka,
Bhiwandi, Thane – 421302
Maharashtra, India.

STATUTORY AUDITORS

DGMS & CO.

**(Previously Known as Doshi
Maru & Associates)**

Chartered Accountants
9, Shreepal Bldg., S. N. Road,
Tambe Nagar, Mulund (West),
Mumbai - 400 080.
Maharashtra, India.

SHARE TRANSFER AGENT & REGISTRAR

BIGSHARE SERVICES PVT. LTD.

Office No S6-2, 6th Floor, Pinnacle
Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East)
Mumbai – 400093,
Maharashtra, India.

SECRETARIAL AUDITORS

CS DEEPAK CHHETA

Company Secretary
Office No.5, Sheetal Arcade,
Indralok Phase II, Bhayander (East),
Thane-401105,
Maharashtra, India.

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**NOTICE TO THE MEMBERS**

Notice is hereby given that the **38th Annual General Meeting** of the members of the Company will be held at Nisarga Restaurant, Runwal Commercial Complex, L.B.S Road, Mulund West, Mumbai-400080, Maharashtra, India on **Monday, 26th June, 2023 at 03:00 p.m.** to transact with or without modification(s) the following business:

ORDINARY BUSINESS:**Item No 1: Adoption of Audited Financial Statements:**

To receive, consider and adopt the Audited Financial Statements for the Financial Year ended 31st March, 2023 together with reports of the Board of Directors and the Auditors thereon.

Item No 2: Re-Appointment of Mr. Yash Dharmendra Sanghvi (DIN: 06934650) (Director Liable to Retire by Rotation):

To reappoint **Mr. Yash Dharmendra Sanghvi (DIN: 06934650)**, **Non-Executive Director** who retires by rotation and being eligible, offers himself for re-appointment. Brief Resume is attached as **Annexure- I**.

Special Business:**Item No 3: Reclassification of Promoters / Promoters group of the Company as Public Shareholders.**

To consider and approve reclassification of Promoters of the Company and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as an Ordinary resolution.

“RESOLVED THAT pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other relevant provisions, including any modification(s) or re-enactment(s) thereof for the time being in force, and subject to necessary approvals from the stock exchanges and other appropriate statutory authorities, as may be necessary, the consent of the members be and is hereby accorded for re-classification of following persons forming part of Promoter Group from “Promoter and promoter group category” to “Public category”:

Name of the Promoter/Promoter Group (“Outgoing Promoters”)	No. of shares held	Percentage (%)
Pradeep Gorakhchand Sanghvi	254650	5.00
Sveta Alloys Pvt Ltd	248900	4.88
Chandra Rishi Estates Pvt Ltd	191000	3.75
Deepakkumar Somchand Shah	245050	4.81
Premchand M Shah	74700	1.47
Haresh Sanghavi	20000	0.39
Sanghavi Rohit	20000	0.39
Praveen Dulichand Bothra	10000	0.20
Deepak kumar Somchand Shah	245050	4.81

RESOLVED FURTHER THAT it is hereby confirmed that

- I. the aforesaid person do not hold more than 10% of the paid-up Capital of the Company.
- II. the aforesaid persons have not and will continue to not exercise direct or indirect control over the Company.
- III. No director of the above said person has been or would be appointed as key managerial personnel of the Company.
- IV. No special rights were even held and would not be ever held by the above reclassified person / entity/Company.

RESOLVED FURTHER THAT on approval of the Stock Exchange upon application for reclassification of the aforementioned Promoters, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions

RESOLVED FURTHER THAT Mr. Sankaran Venkata Subramanian, Managing Director and Mrs. Rajlaxmi Iyar, Director of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange, seeking approvals from the Securities and Exchange Board of

India and BSE Limited (as applicable), and to execute all other documents required to be filed in the above connection and to do all such acts, deeds, matters and things as may be necessary or expedient and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard without requiring the Board to secure any further consent or approval of the members of the Company to give full effect to the aforesaid resolution.

Item No. 4: Sale of the Property of the Company situated at Murbad.

To consider and approve the sale of property of the Company situated at A –8/4, MIDC Industrial Area, Murbad, Dist: Thane, - 421401 Maharashtra, India and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as special resolution.

RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013(including any amendment or re-enactment made thereof), the provisions of the Memorandum and Articles of Association of the Company, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, consent of the shareholders be and is hereby accorded to Board of Directors (hereinafter called “the **Board**”) to sell, lease or otherwise dispose off the undertaking of the Company i.e property situated at A –8/4, MIDC Industrial Area, Murbad, Dist: Thane, - 421401 Maharashtra, India on such terms and conditions at such time(s) and in such form and manner as deemed fit by the Board.

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

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

Item No. 5: Alteration of Object Clause of the Memorandum of Association of the Company.

To consider and approve the alteration of clause 6 of the object clause of the Memorandum of Association of the Company and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as special resolution.

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with applicable rules made thereunder, including any statutory modification(s) or re-enactment(s) thereto for the time being in force, and subject to the approval of the Registrar of Companies, the consent of the members be and is hereby accorded for effecting the alteration in the existing Object Clause of the Memorandum of Association (the “MoA”) of the Company by altering sub-clause 6 and adding Clause 7 & 8 in Clause III (a) of the MoA as under:

6. **To conduct business as importers, exporters, traders, and distributors in various consumer food items including fruits, vegetables, canned and frozen foods, organic and processed foods, health foods, protein foods, agro foods, poultry products, groceries, condiments, agricultural produce, cereals, pulses, beverages, and other consumable provisions including but not limited to masala and its mixes, coffee and coffee products, tea and tea products, oil, bakery products, drinking products including aerated water, artificial flavoured drinks, syrups and other foods products and further undertake processing, preservation, and alteration of agricultural commodities, as well as dealing with chemicals used in the food industry in Indian as well as International Market.”**
7. **To carry on the business of trading in agricultural products, metals including precious metals, precious stones, diamonds, petroleum and energy products and all other commodities and securities, in spot markets and in futures and all kinds of derivatives of all the above commodities and securities.**
8. **To engage in the distribution, import, export, buying, and selling of fertilizers (including bio fertilizers and organic fertilizers), agro-chemicals, insecticides, herbicides, fungicides, plant growth regulators, micronutrients, repellents, oil seeds, and their byproducts and vegetable oil-based products including fatty acids and their derivatives, and further undertake the trade of agricultural chemicals, manures, soil conditioners, petrochemicals, industrial**



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chemicals, and various preparations and compounds used in the manufacturing and refining of fertilizers and other agricultural products and act as importers, exporters, buyers, sellers, and distributors of agro-fertilizers, animal feeds, urea, and other organic or inorganic fertilizers, insecticides, fungicides, and remedies for agricultural purposes, in Indian as well as International Markets.

RESOLVED FURTHER THAT the board of directors of the Company (the “**Board**” which term shall be deemed to include its committees also) or any officer(s) so authorised by the Board, be and are hereby authorised to do all acts, deeds, matters and things as may, in their absolute discretion, be deemed necessary, expedient, proper or desirable to give effect to the resolution including filings of statutory forms and to settle any matter, question, difficulties or doubts that may arise in this regard and accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies without requiring the Board to secure any further consent or approval of the Members of the Company; and that the Members of the Company are hereby deemed to have given their approval thereto expressly by the authority of this resolution and acts and things done or caused to be done shall be conclusive evidence of the authority of the Company for the same.”

Item No: 6

To open a branch office in Dubai

To consider and approve the opening of a branch office of the Company at Dubai Free Trade Zone and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as a special resolution:

“**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013, and rules made there under (including any modification or re-enactment thereof), and subject to such permissions, sanctions, approvals, consent as may be required from relevant authorities, the consent of the members of the Company be and is hereby accorded to the board of directors (“**Board**”)[which shall include committees thereof] to open a branch office of Sterling Powergensys Limited (“**the Company**”) in the United Arab Emirates at the Dubai Free Trade Zone for setting up the operations relating to global trade of commodities.

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorized on behalf of the Company to complete all the formalities or requirements of setting up the branch office, including settling any question, doubt or difficulties that may arise with regard to or in relation to it without requiring the Board to secure any further consent or approval of the shareholders of the Company in this matter and to do all acts, deeds, matters and things as deem necessary including but not limited to sign and execute all necessary documents and applications for the purpose of giving effect to the aforesaid resolution.”

**BY ORDER OF THE BOARD
FOR STERLING POWERGENSYS LIMITED**

Sd/-

**SANKARAN VENKATA SUBRAMANIAN
MANAGING DIRECTOR**

(DIN: 00107561)

DATE: 17/05/2023

REGISTERED OFFICE:

**STERLING POWERGENSYS LIMITED
Office No. 121, Runwal Commercial Complex,
Co-Op Premises Ltd, L.B.S. Marg, Mulund (West),
Mumbai-400080, Maharashtra, India.**

NOTES:

1. The Relevant details of the Director seeking re-appointment, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and as required under Secretarial Standards - 2 on General Meetings issued by The Institute of Company Secretaries of India, is provided in Annexure I.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in

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order to be effective, must be received at the Company's Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote. A Proxy Form is enclosed herewith.

Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. If a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

Electronic Copy of the Notice Convening the 38th Annual General Meeting, interalia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members who hold shares in dematerialized mode and whose email IDs are registered with their respective DPs. The Members may also send their requests for e-Copies of Annual Report to the Company's email Id cs.sterling01@gmail.com.

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM. The Register of Members and the Share Transfer Books of the Company will remain closed from 20th June, 2023 to 26th June, 2023.

3. The Company was not having any pending unclaimed dividend to be transferred to Investor Education and Protection Fund (IEPF) in Pursuant to the provisions of Section 125 of the Companies Act, 2013.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
5. Members desirous of seeking any information concerning the accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/ EGM has been uploaded on the website of the Company at www.splsolar.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM/EGM Notice is also disseminated on the website of Bigshare Services Private Limited (agency for providing the Remote e-Voting facility) i.e. www.bigshareonline.com.
7. In view of the Circular issued by the SEBI for appointing common agency for both the modes of transfers i.e. Physical as well as Demat, the Company has already appointed M/s. Bigshare Services Pvt. Ltd. as Registrar & Transfer Agent for both the modes of transfers i.e. Physical as well as Demat. Members are therefore requested to send their grievances to them for early disposal at the address given below:
BIGSHARE SERVICES PVT. LTD.
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093
8. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given above and in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.
9. All documents referred to in the Notice and in the Explanatory Statements are open for inspection at the Company's registered office of the Company during normal business hours on all working days except public holidays between 11:00 A.M. and 3:00 P.M. upto the date of the Annual General Meeting.
10. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.
11. **Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.****ITEM NO 2:**

Mr. Yash Dharmendra Sanghvi joined the Board of the company in November 2014 as a non-executive director. He is also a member of the Stakeholder Relationship Committee of the Company.

Mr. Yash Dharmendra Sanghvi is commerce graduate from Pune University and also holds a BBA-IT from Symbiosis Institute. He is a young and dynamic individual with sharp management & entrepreneurial skills.

Pursuant to the provisions of section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Yash Dharmendra Sanghvi is due to retire by rotation at the meeting and has offered himself for re-appointment.

No director, key managerial personnel or their relatives is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 2.

The Board recommends the resolution set forth in item no. 2 for the approval of members.

ITEM NO 3:

The Company has received an application(s) from the following persons falling under the promoters/promoter Group category of the Company, requesting to be reclassified from the Category of "Promoters/Promoters Group" to "Public Category".

Name of the Promoter/Promoter Group ("Outgoing Promoters")	No. of shares held	Percentage (%)
Pradeep Gorakhchand Sanghvi	254650	5.00%
Sveta Alloys Pvt Ltd	248900	4.88%
Chandra Rishi Estates Pvt Ltd	191000	3.75%
Deepakkumar Somchand Shah	245050	4.81%
Premchand M Shah	74700	1.47%
Haresh Sanghavi	20000	0.39%
Sanghavi Rohit	20000	0.39%
Praveen Dulichand Bothra	10000	0.20%

The aforesaid Promoter/promoter group persons are not holding more than 10% of the total voting rights of the Company. The aforesaid promoter/ promoter group persons do not exercise any control over the Company and are not engaged in the management of the Company. The aforesaid persons neither have representation on the Board of Directors of the Company nor hold any key Management positions in the Company. The Company has also not entered into any Shareholders Agreement with them. Further none of the aforesaid persons has got any veto Rights as to voting power or control of the Company. They do not have any Special Information Rights.

The aforesaid promoters have requested to the Company to reclassify them from being a "Promoter Category" to "Public Category" Shareholder of the Company.

Based on the letter received from above promoter's person, the matter was discussed by the Board of Director at their meeting held on 17th May, 2023 and Board decided to get the above promoter/promoter group persons reclassified from the "Promoter Category" to "Public Category" with the approval of stock exchanges.

Regulation 31A (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Including any amendments made thereto) (hereinafter referred to as Listing Regulations") is the main regulation which deals with reclassification of promoter shareholding into public Shareholding. It provides that the Stock exchanges allow reclassification of the status of promoter shareholders only if the following main conditions are satisfied.

1. Upon receipt of a request from the concerned listed entity or the concerned Shareholders.
2. Upon receipt of all relevant evidence to be provided.
3. On BSE being satisfied with the Compliance of conditions mentioned in Regulation 31A.

The Company's case of reclassification of promoter is covered under Regulation 31 A (2) of Listing Regulation.

None of the Directors, Key Managerial persons of the Company and their relatives is/are concerned or interested in the resolution.

The Board recommends the resolution set forth in item no. 3 for the approval of members.

ITEM NO. 4

Members of the Company are requested to note that Section 180 (1) (a) of the Companies Act, 2013 mandates that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution. Explanation (i) to Section 180(1) (a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1) of the Companies Act, 2013 is an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Explanation (ii) to Section 180 (1)(a) of the Companies Act, 2013 states that the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1) is in any financial year, twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

Accordingly, pursuant to Section 180(1)(a) of the Companies Act, 2013, members of the Company are further requested to note that their consent to the Board is being sought by way of a Special Resolution to sell property of the Company situated at situated at A-8/4, MIDC Industrial Area, Murbad, Dist. : Thane, - 421401 Maharashtra, India. As the member are aware that the existing manufacturing units were not operational since last few months, and no other production are being carried on at these units, hence Board has decided to sale these undertakings for working capital requirements and explore the different business opportunities as per the market scenario with motive to increase the business operations of the Company.

The Board thus recommends the special resolution set out at Item No. 4 of the notice for approval by the shareholders.

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

ITEM NO. 5

Considering the tremendous opportunity in the global trade of the commodities in the near future, the eyes on entering into a business of trading of different types of commodities like oil and gas including diesel and aviation fuel, metals including precious metals, stones, diamonds, agricultural products like fresh fruits, dry fruits, vegetable seeds, herbal and medicinal plants, dried and preserved vegetables, processed fruits and vegetables, jaggery, sugar, flavoured aerated drinks & beverages and cereals like rice, wheat and other consumables and agricultural fertilizers and agro chemicals with a pure vision of business expansion of the company with the available expert guidance & Industry experience of the Board of the Company.

In order to comply with the provisions of section 4(1) (c), 13 and other applicable provisions, if any, of the Companies Act, 2013, the company needs to alter its Object Clause from the Memorandum of Association. Such Modification in the Memorandum of Association is carried out to give effect to the provisions of the Companies Act 2013.

Section 13 of the Companies Act, 2013 states that a Company, may, by a special resolution, alter the provisions of its Memorandum of Association (the "MoA"). The Board of Directors, on 17th May, 2023 has approved the aforesaid alteration 'Object Clause' of the MoA of the Company, subject to the approval of the Members of the Company. The special resolution passed by postal ballot shall be filed with the Registrar of Companies who shall register the alteration of the MoA with respect to the objects of the Company and certify the registration.

The Board has recommended approval of the resolution as set out in the accompanying Notice as a special resolution. In light of the above facts, the approval of the Members is sought for effecting the alteration in the existing sub-clause 6 and adding clause 7 & 8 in the Object Clause of the MoA of the Company.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution. The Board recommends the resolution for approval of the Members. The existing Object Clause of the MoA is available for inspection by the Members on the Company's website.

ITEM NO. 6

The Company is strategically exploring options for expanding its global commodities trade business. One location under consideration is Dubai, which offers a prime position at the intersection of Europe, Asia, and Africa. This makes Dubai an ideal hub for international trade and commerce. Dubai boasts outstanding infrastructure, including top-notch airports, seaports, well-developed road networks, and modern office spaces. Moreover, the city enjoys excellent connectivity to global markets, facilitating the smooth import and export of goods. Taking all these factors into account, the company is now planning to establish a branch office in the Dubai Free Trade Zone. This strategic move will enable the company to effectively execute its future plans for global commodities trade.



STERLING POWERGENSYS LIMITED

The Board at its meeting held on 17th May, 2023 have approved the opening of a branch office of the Company at Dubai free trade Zone and further seeks the approval of the members for the same.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution. The Board recommends the resolution for approval of the Members through special resolution.

**BY ORDER OF THE BOARD
FOR STERLING POWERGENSYS LIMITED**

Sd/-

**SANKARAN VENKATA SUBRAMANIAN
MANAGING DIRECTOR
(DIN: 00107561)**

DATE: 17/05/2023

REGISTERED OFFICE:

STERLING POWERGENSYS LIMITED

Office No. 121, Runwal Commercial Complex,
Co-Op Premises Ltd, L.B.S. Marg,
Mulund (West) Mumbai-400080,
Maharashtra, India.

Bigshare i-Vote E-Voting System

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- i. The voting period begins on 23rd June, 2023 at 09:00 a.m. and ends on 25th June, 2023 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 19th June, 2023 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

1. Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

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

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’(User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.

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- o Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
- o Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
- o Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on **'LOGIN'** under **'INVESTOR LOGIN'** tab and then Click on **'Forgot your password?'**

- Enter **"User ID"** and **"Registered email ID"** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **'Reset'**.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on **"VIEW EVENT DETAILS (CURRENT)"** under **'EVENTS'** option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option **"INFAVOUR"**, **"NOT IN FAVOUR"** or **"ABSTAIN"** and click on **"SUBMIT VOTE"**. A confirmation box will be displayed. Click **"OK"** to confirm, else **"CANCEL"** to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can **"CHANGE PASSWORD"** or **"VIEW/UPDATE PROFILE"** under **"PROFILE"** option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **"REGISTER"** under **"CUSTODIAN LOGIN"**, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with "User id and password will be sent via email on your registered email id".

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on **'LOGIN'** under **'CUSTODIAN LOGIN'** tab and further Click on **'Forgot your password?'**

- Enter **"User ID"** and **"Registered email ID"** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **'RESET'**.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).



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Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under “**DOCUMENTS**” option on custodian portal.
 - o Click on “**DOCUMENT TYPE**” dropdown option and select document type power of attorney (POA).
 - o Click on upload document “**CHOOSE FILE**” and upload power of attorney (POA) or board resolution for respective investor and click on “**UPLOAD**”.

Note: The power of attorney (POA) or board resolution has to be named as the “**InvestorID.pdf**” (Mention Demat account number as Investor ID.)

- o Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).\
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

**BY ORDER OF THE BOARD
FOR STERLING POWERGENSYS LIMITED**

Sd/-

**SANKARAN VENKATA SUBRAMANIAN
MANAGING DIRECTOR
(DIN: 00107561)**

DATE: 17/05/2023

REGISTERED OFFICE:

STERLING POWERGENSYS LIMITED

Office No. 121, Runwal Commercial Complex,
Co-Op Premises Ltd, L.B.S. Marg,
Mulund (West) Mumbai-400080,
Maharashtra, India.

ANNEXURE TO THE NOTICE

ITEM NO. 2:

Annexure I

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

NAME	MR. YASH DHARMENDRA SANGHVI
Directors Identification Number (DIN)	06934650
Date of Birth (age)	11/07/1992 (31 years)
Qualification	Commerce Graduate and BBA-IT
Expertise in Specific Area	Commercial and Administration
Date of first Appointment on the Board of the Company	10.11.2014
Shareholding in Sterling Powergensys Ltd. (No. of Shares held)	NIL
List of Directorship held in other companies	NIL
Membership/Chairmanships in Committees	1. Member of Stakeholder Relationship Committee.
Relationship with Other Directors interse	NIL
Brief Resume	Mr. Yash Dharmendra Sanghvi: Designation: Non- Executive Director. Mr. Yash Dharmendra Sanghvi is a Commerce and BBA-IT Graduate. He has its expertise in the sector of Commercial and Administration. He is young and dynamic individual coupled with Sharp entrepreneur skills.
Terms and Conditions of re-appointment including remuneration payable	Same as original appointment
Number of meetings of Board attended during the year	2
Details of remuneration sought to be paid and last drawn	Nil
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	He has several years of experience in the sector of Commercial and Administration. His expertise in this field can bring invaluable insights for the Company and further shall potentially increased profitability

**BY ORDER OF THE BOARD
FOR STERLING POWERGENSYS LIMITED**

Sd/-

**SANKARAN VENKATA SUBRAMANIAN
MANAGING DIRECTOR
(DIN: 00107561)**

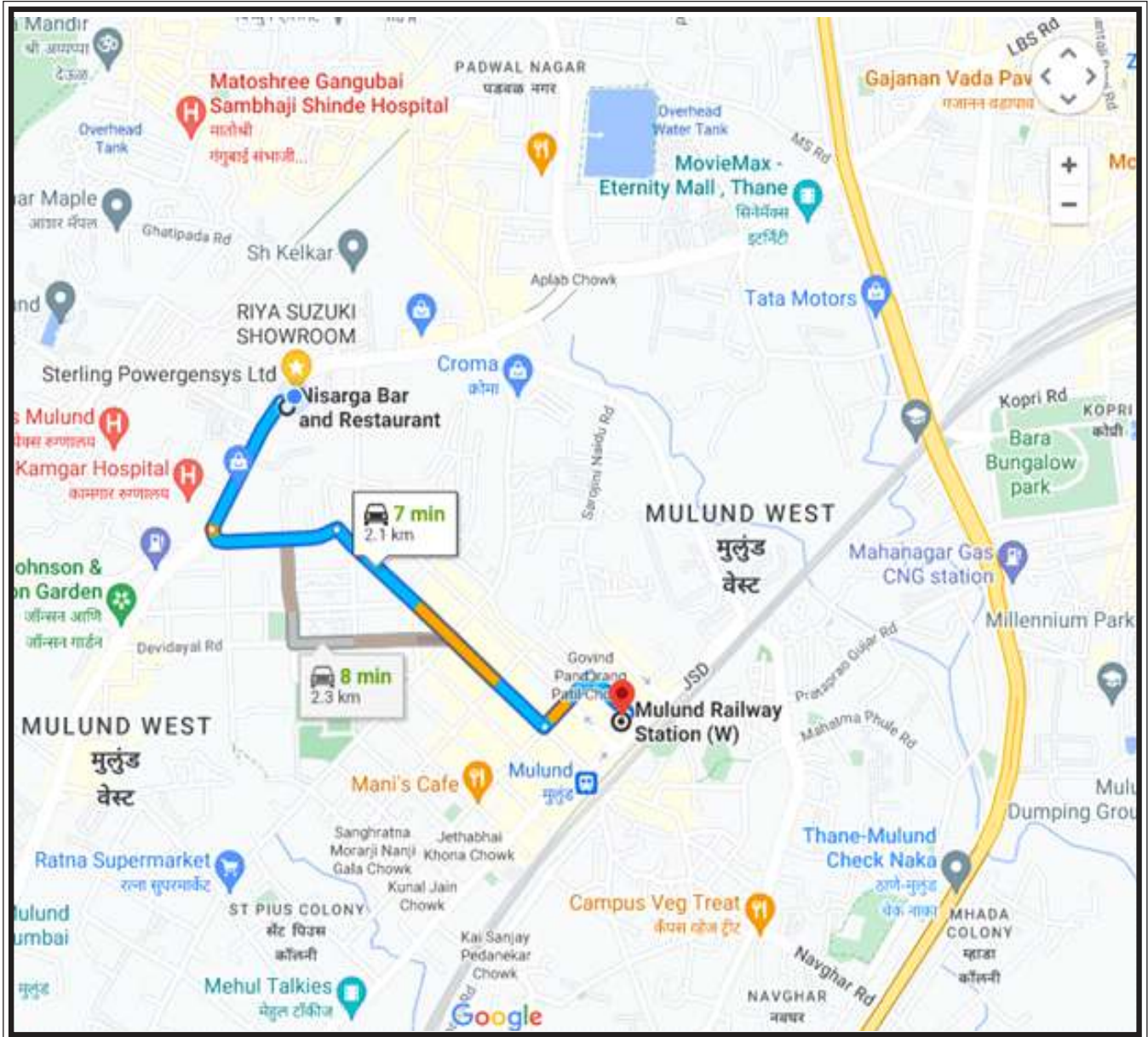
DATE: 17/05/2023

REGISTERED OFFICE:

STERLING POWERGENSYS LIMITED

Office No. 121, Runwal Commercial Complex,
Co-Op Premises Ltd, L.B.S. Marg, Mulund (West),
Mumbai-400080, Maharashtra, India.

ROUTE MAP TO THE VENUE



Nisarga Restaurant – Runwal Commercial Complex, L.B.S. Road, Mulund (West), Mumbai - 400080

Contact: Mr. S. Venkata Subramanian – 96195 72230, 89280 58381

Mr. Pundlik R. Davane - 9321803234

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have great pleasure in presenting the 38th Annual Report together with the Audited Financial Statement of the Company for the year ended 31st March, 2023.

FINANCIAL HIGHLIGHTS:

Particulars	Year ended 31.03.2023 (Rs. In Lakhs)	Year ended 31.03.2022 (Rs. In Lakhs)
Sales & Other Income	33.24	134.58
Total Expenses	104.02	124.28
Profit / (Loss) before exceptional items and tax	(70.78)	10.30
Less: Exceptional items	-	-
Less: Tax Expenses	-	-
Add: Provisions Reversed	-	-
Profit / (Loss) after tax	(70.78)	10.30
Add: Adjustment for depreciation as per Companies Act 2013	-	-
Add: Balance brought forward from previous year	-	-
Balance carried to Balance Sheet	(70.78)	10.30

OPERATIONAL REVIEW& STATE OF COMPANY'S AFFAIRS:

During the financial year 2022-23, the Company was engaged in the research of new Solar projects to be undertaken in the future and thus generated no revenue from its primary object i.e through Solar projects. However the Company was able to generate revenue from its other business operations. The Company recorded revenue from operations of Rs. 33 Lakhs, as against the revenue of Rs. 31.11 Lakhs in the previous year. The Company has incurred a loss of Rs. 70.78 Lakhs for the year ended 31st March, 2023.

RESERVES:

Considering the loss incurred by the Company during the financial year under review, the Directors do not propose the transfer of any amount to the general reserve account. The Loss for the Financial Year 2022-23 has been transferred to the Profit and Loss Account.

DIVIDEND:

In view of the inadequacy of profits & considering the future expansion, your Directors do not recommend any dividend for the financial year 2022-23.

SHARE CAPITAL OF THE COMPANY:

The Paid up Equity Share Capital, as at 31st March, 2023 was Rs. 5,09,60,000/- divided into 50,96,000 Equity shares, having face value of Rs. 10/- each fully paid up. During the year under review, the Company has not issued any shares with differential voting rights neither granted any stock options nor sweat equity.

SUBSIDIARIES, ASSOCIATE COMPANIES& JOINT VENTURES:

The Company is not having any associate Company, Subsidiary Company or Joint venture.

PUBLIC DEPOSITS:

During the financial year under review, the Company has not accepted or renewed any deposit falling within the purview of the provisions of Sections 73 and 74 of the Companies Act, 2013 (the "Act") read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not issued any loans or provided any Guarantees or made Investments covered under the provisions of Section 186 of the Companies Act, 2013 during the Financial Year 2022-23.



CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The provisions of CSR activities under the Companies Act, 2013 are not applicable to the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

Bombay Stock Exchange vide its notice no. 20221124-18 dated 24th November, 2022 revoked the suspension in trading of equity shares of the company w.e.f. December 02, 2022. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 (Erstwhile SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018), trading in the securities of the company will be resumed in "XT" group.

Except this, there were no significant and material orders passed by the Regulators or Courts that would impact the going status of the Company and its future operations.

CORPORATE GOVERNANCE REPORT: Not Applicable

As per Regulation 27(2) and Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Paid up Equity Share Capital of the Company being less than Rs. 10 Crore and Net worth being less than Rs. 25 Crore as on 31st March, 2023. Since the paid up capital of the Company is Rs. 5,09,60,000 and net worth is Rs. (2,62,81,066), the Corporate Governance Report is not applicable to the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Board of Directors monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthen the controls.

DIRECTORS RESPONSIBILITY STATEMENT:

To the best of our knowledge and belief and according to the information and explanations obtained, Directors make the following statement in terms of Section 134 (3) (c) of the Companies Act, 2013:

- (a) that 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) that the Directors had 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 had 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 had prepared the annual accounts on a going concern basis;
- (e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN:

In terms of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link: <https://spl solar.in/R&R.html>.

BOARD OF DIRECTORS:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, during the year 2022-23 there was no change in the Composition of Board of Directors and the Committees of the Board

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements).

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DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The following persons are the Directors and Key Managerial Personnel of the Company as on 31st March, 2023:

Sr. No.	Name of the person	Designation
1	Sankaran Venkata Subramanian	Managing Director
2	Rajlaxmi Iyar	Non-Executive Director
3	Yash Dharmendra Sanghvi *	Non-Executive Director
4	Shankar Ramnath Iyer	Independent Director
5	Harishchandra Bharama Naukudkar	Independent Director
6	Pundlik Ranaba Davane	Chief Financial Officer
7	Gaurav Kaushik	Company Secretary and Compliance Officer

*In accordance with Section 152 of the Companies Act, 2013, *Mr. Yash Dharmendra Sanghvi Non Executive Director of the Company retires by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, offers herself for re-appointment.*

BOARD EVALUATION:

Pursuant to the provisions of Section 134 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, the Board has carried out an evaluation after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance.

The performance evaluation of the Independent Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and the Board of Directors was carried out by the entire Board, and the performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors throughout the standard set of questionnaire to be evaluated on a scale of 1 to 5 in accordance with the Companies Act and the SEBI guidelines. The Board of Directors expressed their satisfaction with the evaluation process.

REMUNERATION POLICY:

The Company has a Nomination and Remuneration Committee. The Committee reviews and recommends the Board about remuneration for Directors and Key Managerial Personnel and other employees up to one level below of the Key Managerial Personnel. During the Financial year 2022-23 the Company did not pay any sitting fees to the Non-Executive Director and Independent Directors for attending the Board Meetings. Remuneration to Executive Directors is governed under the relevant provisions of the Companies Act, 2013 and in accordance with NRC Policy. The Company has devised the Nomination and Remuneration Policy for the appointment, re-appointment and remuneration of Directors & Key Managerial. All the appointment, re-appointment and remuneration of Directors and Key Managerial Personnel are in compliance of the Nomination and Remuneration Policy of the Company.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of independence as laid down pursuant to Section 149 (6) of the Companies Act, 2013.

BOARD DIVERSITY:

None of the Directors of the Company is disqualified for being appointed as Director as Specified in Section 164(2) of the Companies Act, 2013.

FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS:

The Company conducts programmes/presentations periodically to familiarize the Independent Directors with the nature of industry in which the Company operates, business model of the Company, Board dynamics & functions, Management techniques and role, rights & responsibilities of Independent Directors through its Executive Directors. The details of such familiarization programmes have been disclosed on the Company's website at (<https://www.splsolar.in/>).



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NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year ended 31st March, 2023, Five Board Meetings were held on the following dates:

(1)30th May, 2022 (2)14th August, 2022 (3) 14thNovember, 2022 (4) 04th February, 2022 (5)25th March, 2023. The composition is as under:-

Name of the Directors	Category of Directors	Number of outside Directorship		Attendance		No. of Shares held in the Company As at 31.03.2023
		Directorship #		Board meeting	Last AGM	
		Public	Private			
Sankaran Venkata Subramanian	Managing Director	-	-	8	Yes	4,64,350
Sankaran Venkata Subramanian	Managing Director	-	-	5	Yes	4,64,350
Rajlaxmi Iyar	Non Executive Director	-	-	3	Yes	9000
Yash Dharmendra Sanghvi *	Non-Executive Director	-	-	2	No	Nil
Shankar Ramnath Iyer	Independent Director	-	2	5	No	Nil
Harishchandra Bharama Naukudkar	Independent Director	-	-	5	No	Nil

*Mr. Yash Dharmendra Sanghvi, Non Executive Director of the Company retires by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

#Excluding Directorships in Foreign Companies.

Memberships of the Directors in various Committees are within the permissible limits of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The members of the Board have been provided with the requisite information mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 well before the Board Meetings.

COMMITTEE MEETINGS:

AUDIT COMMITTEE:

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is having in place an Audit Committee comprising of Independent Directors and Non-Executive Director. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board. All the Members of the Audit Committee are financially literate.

During the financial year ended 31st March, 2023, Audit Committee Meetings were held on the following dates:

(1) 30th May, 2022 (2) 14th August, 2022 (3) 14th November (4) 04th February, 2023 (5) 25th March, 2023. The composition is as under:-

The name and attendance of Audit Committee members are as under:

Name of Director	Designation	Category of Directorship	No. of Meetings during the Year	
			Entitled to attend	Attended
Mr. Harishchandra Bharama Naukudkar	Chairperson	Independent Director	5	5
Mr. Sankaran Venkata Subramanian	Member	Executive Director	5	5
Mr. Shankar Ramnath Iyer	Member	Independent Director	5	5

At the invitation of the Committee, other Financial Executives of the Company also attended the meetings to respond to queries raised at the Committee meetings.

NOMINATION & REMUNERATION COMMITTEE:

The Company is having in place the Nomination and Remuneration Committee ("NRC") for reviewing and recommending the remuneration payable to the Directors and senior executives of the Company and assisting the Board with respect to the process of appointment or re-election of Chairman of the Board of Directors and other executive and non-executive Directors.

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The particulars of Members of Nomination & Remuneration Committee and their attendance at the Meetings are as under:

During the financial year ended 31st March, 2023, the Nomination & Remuneration Committee Meetings were held on the following dates:

(1) 30th May, 2022 (2) 25th March, 2023

Name of Director	Designation	Category of Directorship	No. of Meetings during the Year	
			Entitled to attend	Attended
Mrs. Rajlaxmi Iyar	Member	Non-Executive Director	2	2
Mr. Harishchandra Bharama Naukudkar	Member	Independent Director	2	2
Mr. Shankar Ramnath Iyer	Chairperson	Independent Director	2	2

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013. Pursuant to Section 134(3) of the Companies Act, 2013, the nomination and remuneration policy of the Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and policies of the Company relating to remuneration of Directors, KMP and other employees is available on the Company's website <https://splsolar.in/Policies>. We affirm that the remuneration paid to Directors, senior management and other employees is in accordance with the remuneration policy of the Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company is having in place the Stakeholders Relationship Committee ("SRC") for the redressal of the grievances of security holders of the Company.

Composition, Meetings and Attendance of the committee is as follows:

During the financial year ended 31st March, 2023, the Stakeholders Relationship Committee Meetings were held on the following dates:

(1) 30th May, 2022 (2) 25th March, 2023.

Name of Director	Designation	Category of Directorship	No. of Meetings during the Year	
			Entitled to attend	Attended
Mrs. Rajlaxmi Iyar	Chairperson	Non-Executive Director	2	2
Mr. Harishchandra Bharama Naukudkar	Member	Executive Director	2	2
Mr. Yash Dharmendra Sanghvi	Member	Independent Director	2	2

SEXUAL HARASSMENT:

The Constitution of Internal Complaint Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Act") is not applicable to the Company since the Company has less than 10 employees. Yet as a part of good governance, the Board monitors and assesses the complaints received, if any from the employees relating to sexual harassment at workplace in accordance with the Act and rules made there under. During the year under review, no complaints were reported.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a Vigil Mechanism/Whistle Blower policy to report genuine concerns, grievances, frauds and mismanagements, if any. The Vigil Mechanism/Whistle Blower policy has been posted on the website of the Company i.e. www.splsolar.in.

RELATED PARTY TRANSACTIONS:

During the financial year 2022-23, the Company during the year has not entered into transactions as specified under section 188(1) of the Companies Act, 2013 with related parties.



DEPOSITORY SERVICES:

The Company’s Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services (India) Limited (CDSL). As a result, the investors have an option to hold the shares of the Company in a dematerialized form in either of the two Depositories. The Company has been allotted ISIN No. INE067E01013. Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

REPORTING OF FRAUDS:

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Acts & Rules framed thereunder either to the Company or to the Central Government.

CODE OF CONDUCT:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. The Code has been posted on the Company’s website www.splsolar.in. All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

STATUTORY AUDITOR:

M/s. D. G. M. S. & Co., Chartered Accountants, Mumbai (FRN- 112187W) (Previously known as M/s. Doshi Maru & Associates), were appointed as the Statutory Auditors of the Company at its 37th Annual General Meeting from the conclusion of the said meeting until the conclusion of the 42nd Annual General Meeting. The report of the Statutory Auditors, M/s. D. G. M. S. & Co, Chartered Accountants on the financial statements of the Company for the financial year 2022-23 forms part of this Annual Report. The Statutory Auditors have submitted an unmodified opinion on the audit of financial statements for the Financial Year 2022-23 and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company has appointed CS Deepak Chheta, a Company Secretary in Practice having COP No.: 20966 to undertake the Secretarial Audit of the Company for the period under review. The Secretarial Audit report for the Financial Year 2022-23 is annexed herewith as **Annexure ‘A’** and forms an integral part to this Report.

AUDITOR’S REPORT/ SECRETARIAL AUDIT REPORT:

The observations of the Statutory Auditors contained in their Report have been adequately dealt with in the Notes to the Accounts which are self-explanatory and, therefore, do not call for any further comments.

With respect to Secretarial Auditors qualification in the Secretarial Audit Report, Your Directors wish to state the following:

Sr. No.	Secretarial Auditor’s Qualifications	Management’s view on the same
1.	The Company has not paid the Annual listing fees for the Financial Year 2022-23 within the prescribed time limit.	The Company could not pay the listing fees under the prescribed time limits as the Company did not received the invoice from the BSE during the prescribed period. The Annual Listing Fees was paid on 21st July, 2022.
2.	During the period under review Company has not paid the Statutory dues including of Provident Fund as per Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, Profession Tax under The Professional Tax Act, 1975 and TDS under Income Tax Act, 1961.	The Company is going through financial distress and severe cash flow problems, which has caused employee/ resource crunch leading to disturbance in payments. Company is trying its best to overcome from the financial issues and clear all the dues.
3.	There was a delay in the submission of Compliance Certificate pursuant to the provisions of Regulation 3(5) and 3(6) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 for the quarter ended September, 2022.	Company was in process to set up Structured Digital Database and was trying to make it operational. Due to the operational delay in setting up of the Structured Digital Database, there was a delay in filing of the Compliance Certificate for the quarter ended September 30th, 2022.

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Sr. No.	Secretarial Auditor's Qualifications	Management's view on the same
4.	There was a delay in complying with the release in new module for filing of information required under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) on BSE listing Center which was issued vide circular dated 9th February, 2023.	Due to some technical issues on the website updation, there was some delay in the compliance of the regulation. However the Company has duly complied with the information to be provided under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

However, your Directors assure that the Company continues its principles of abiding by the Law in its Letter and Spirit. Your Directors assure that some of the Compliance/Tax payments reported as not done have subsequently been done and balance too will be completed in due course.

Your Directors are putting maximum efforts to make Company fully compliant in all respects and expect Company to be fully compliant at the earliest.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure 'B'** to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the financial year under review as stipulated under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in the separate section forming part of this Annual Report as "**Annexure – C**".

RISK MANAGEMENT:

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The Board periodically reviews the risks and measures taken for mitigation.

ENVIRONMENT AND SAFETY:

The Company is aware of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned compliances, environmental regulations and preservation of natural resources at the Plant.

PARTICULARS OF EMPLOYEES:

Disclosures with respect to remuneration required pursuant to Section 197 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is Annexed here as "**Annexure-D**". Further, the Company does not have any employee whose remuneration exceeds the limits prescribed in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

LISTING:

The Company's Shares are listed on Bombay Stock Exchange (BSE Limited).

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and there are no commitments, affecting the financial position of the Company, which occurred between the end of the financial year to which these financial statements relate and the date of this Report.

SECRETARIAL STANDARDS:

During the year under review, your Company has complied with all the applicable secretarial standards issued by the Institute of Company Secretaries of India.



STERLING POWERGENSYS LIMITED

ACKNOWLEDGEMENT:

The Directors would like to express their sincere appreciation to the Company's Shareholders, Vendors and Stakeholders including Banks, Government authorities, other business associates, who have extended their valuable sustained support and encouragement during the year under review. The Directors also wish to place on record their appreciation for impressive growth achieved through the competence, hard work, solidarity, cooperation and support of employees at all levels.

DATE: 17/05/2023

REGISTERED OFFICE:

**STERLING POWERGENSYS LIMITED
OFFICE NO. 121, RUNWAL COMMERCIAL COMPLEX,
CO-OP PREMISES LTD, L.B.S. MARG, MULUND (WEST),
MUMBAI-400080, MAHARASHTRA, INDIA.**

**By order of the Board
For STERLING POWERGENSYS LIMITED**

**Sd/-
SANKARAN VENKATA SUBRAMANIAN
MANAGING DIRECTOR
(DIN: 00107561)**

**Sd/-
RAJLAXMI IYAR
DIRECTOR
(DIN: 00107754)**

ANNEXURE 'A'

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
STERLING POWERGENSYS LIMITED
Office No. 121, Runwal Commercial Complex,
Co-Op Premises Ltd, L.B.S. Marg Mulund (West)
Mumbai-400080, Maharashtra, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sterling Powergensys Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and rules and regulation made thereunder to the extent of foreign direct investment and External Commercial Borrowings; **(Not applicable to the Company during the audit period)**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), viz:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018; **(Not applicable to the Company during the audit period);**
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period);**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period).**



STERLING POWERGENSYS LIMITED

- vi. We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other following specifically applicable Acts, Laws and Regulations to the Company.
- a. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
 - b. The Payment of Bonus Act, 1965.
 - c. The Payment of Gratuity Act, 1972.
 - d. The Payment of Wages Act, 1936.
 - e. The Bombay Shops & Establishment Act, 1948.
 - f. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
 - g. The Environment (Protection) Act, 1986.
 - h. The Goods and Service Tax Act, 2017.
 - i. The Professional Tax Act, 1975.
 - j. The Income Tax Act, 1961.
 - k. The Finance Act, 1994 (Service Tax).

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

- i. *Secretarial Standards with respect to Board and General Meetings (SS-1 and SS-2) specified by the Institute of Company Secretaries of India;*
- ii. *The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.*
During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:
 - i. *The Company has not paid the Annual listing fees for the financial year 2022-23 within the prescribed time limit.*
 - ii. *During the period under review Company has not paid the Statutory dues including of Provident Fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Profession Tax under The Professional Tax Act, 1975 and TDS under Income Tax Act, 1961.*
 - iii. *There was a delay in the submission of Compliance Certificate pursuant to the provisions of Regulation 3(5) and 3(6) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 for the quarter ended September, 2022.*
 - iv. *There was a delay in complying with the release in new module for filing of information required under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) on BSE listing Center which was issued vide circular dated 9th February, 2023.*

We further report that:

The Board of Directors of the Company were duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors during the year.

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

All decisions are carried out unanimously/majority voting at Board Meetings and Committee Meetings and recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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We further report that during the year under report, the company has not undertaken any actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.

**FOR CS DEEPAK CHHETA
PRACTISING COMPANY SECRETARY**

**PLACE: MUMBAI
DATE: 17/05/2023**

**ACS No.: 55656
COP No.: 20966
UDIN: A055656E000321999
Peer Review Cer No.-2386/2022**

'ANNEXURE A'

**To,
The Members,
STERLING POWERGENSYS LIMITED**
Office No. 121, Runwal Commercial Complex,
Co-Op Premises Ltd, L.B.S. Marg Mulund (West)
Mumbai-400080, Maharashtra, India.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR CS DEEPAK CHHETA
PRACTISING COMPANY SECRETARY**

**PLACE: MUMBAI
DATE: 17/05/2023**

**ACS No.: 55656
COP No.: 20966
UDIN: A055656E000321999
Peer Review Cer No.-2386/2022**



ANNEXURE ‘B’

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Information as per Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2023 is given here below and forms a part of the Directors’ Report.

A. CONSERVATION OF ENERGY:

During the Financial Year 2022-23, the Company has not undertaken the manufacturing process and has focused on research for implementation of new projects in near future. Thus the Company has not taken any special measures towards conservation of energy during the period under review. However, the Company endeavors to take all possible measures to conserve energy.

B. TECHNOLOGY ABSORPTION:

The Company has not imported any technology at any time during the year under review.

RESEARCH AND DEVELOPMENT:

a)	Specific area in which R & D has carried out by the Company	The Company has carried out R & D in the area of available business opportunities for the Company.
b)	Benefit derived as a result of R & D	Company is trying to revive its financial position.
c)	Future Plan of action	The Company plans to strengthen its R & D activity and intensify its cost reduction programme.
d)	Expenditure on R & D	Expenditure on R & D is not accounted for separately.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(Amount in Rs.)

		2022-23	2021-22
a.	Foreign Exchange outgo	-	-
b.	Foreign Exchange earned	-	-

DATE: 17/05/2023

By order of the Board
For STERLING POWERGENSYS LIMITED

REGISTERED OFFICE:
STERLING POWERGENSYS LIMITED
OFFICE NO. 121, RUNWAL COMMERCIAL COMPLEX,
CO-OP PREMISES LTD, L.B.S. MARG, MULUND (WEST),
MUMBAI-400080, MAHARASHTRA, INDIA.

Sd/-
SANKARAN VENKATA SUBRAMANIAN
MANAGING DIRECTOR
(DIN: 00107561)

“Annexure C”**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Your Directors have pleasure in presenting the management discussion and analysis report of the year ended on 31st March, 2023.

1. Overall & Business Review:

The Business of the Company was highly impacted due to the Covid-19 pandemic and the lockdown which also impacted the world economy on a large scale. During the financial year 2022-23, the company focused its efforts on conducting extensive research and analysis to identify potential new projects and opportunities for growth. The company's leadership team worked diligently to create a roadmap for the near future, outlining specific goals and milestones that would help drive innovation and expand the company's reach. Through careful planning and strategic decision-making, the company aims to position itself for success in the years ahead, building on its existing strengths and leveraging new technologies and market trends to stay ahead of the competition.

In the Union Budget which was read in February 2023, the government announced that they are implementing many programs for green fuel, green energy, green farming, green mobility, green buildings, and green equipment, and policies for efficient use of energy across various economic sectors. These green growth efforts help in reducing carbon intensity of the economy and provides for large-scale green job opportunities. The Government further aims to strengthen the domestic solar manufacturing eco-system aligned to Aatmanirbhar Bharat Vision and shall achieve the target of 500 GW renewable by 2030.

2. Industry Structure & Development:

The government has been working to promote domestic solar manufacturing through a range of initiatives, including production-linked incentives (PLIs), which shall provide financial incentives to manufacturers based on their production volumes. The government has also imposed tariffs on imported solar equipment in order to encourage the use of domestically produced equipment. In addition, the government has launched the National Programme on High Efficiency Solar PV Modules, which aims to promote the use of domestically manufactured high-efficiency solar panels in the country's solar energy projects. The programme includes funding for research and development of new technologies and for the establishment of testing and certification facilities for solar panels.

3. Opportunities & Threats:

As the world seeks to reduce greenhouse gas emissions and transition to a low-carbon economy, there is a growing demand for renewable energy sources like solar power. The cost of solar technology has been falling steadily in recent years, making it increasingly competitive with traditional fossil fuel sources of energy. Therefore the Indian government is encouraging Indian entrepreneurs to establish 'Green Hydrogen Projects' using the renewable energy from solar and wind power generating plants.

Threats: The supply chain for solar power equipment, including solar panels and inverters, is global and can be affected by disruptions in the manufacturing or transportation of these components. This can lead to delays and increased costs for solar power projects. But with increasing awareness of climate change and the need for a sustainable future is driving the demand for renewable energy sources.

4. Product wise performance:

The performance of solar energy products depends on a variety of factors, including the quality of the components used, the design and installation of the system, and the operating conditions of the equipment. The Company during the year has undertaken research and analysis on increasing the performance of the products which suits the best for the future operational plans of the Company.

5. Outlook:

The outlook for the solar sector is generally positive, as countries around the world continue to adopt policies and targets aimed at reducing greenhouse gas emissions and transitioning to a low-carbon economy. As the world seeks to reduce greenhouse gas emissions and transition to a low-carbon economy, there is a growing demand for renewable energy sources like solar power. This demand is being driven by a range of factors, including concerns about climate change, energy security, and economic competitiveness. The Company is thus considering in contributing to the growth of renewable energy in the coming years. Further Government is taking steps to accelerate economic growth rate and it shall result in positive outcome for the industry in coming times.



6. Risk and concern:

The solar sector is dependent on a global supply chain, which can be affected by geopolitical tensions, trade disputes, and other factors. Supply chain disruptions can lead to higher costs and delays in project development. The company has no control over external factors which may adversely affect the company's operation. However, risk factors are continuously monitored by the management and necessary steps are taken to mitigate them.

7. Internal Control System and their adequacy:

The Company has strong internal control procedures in place that are commensurate with its size and operations. This ensures that all transactions are authorized, recorded and reported correctly. Regular internal audit and checks are carried out to ensure the robustness of the system.

8. Financial Performance:

During the year under review, the Company has recorded a total revenue of Rs.33.24 Lakhs including the other income against the total revenue in the previous year of Rs. 134.58 Lakhs. Company has generated a Loss of Rs. 70.78 Lakhs for the year ended 31st March, 2023 against profit in the previous year of Rs. 10.30 Lakhs.

9. Material Development in Human Resources / Industrial Relations:

Company recognizes the importance of motivated and empowered employees and has a clear employee value proposition focused on employee development, a satisfying work environment, performance appraisal, and appropriate empowerment. Further the Company believes motivated and empowered employees are the cornerstone of competitive advantage.

10. Key financial Ratios:

Following are the key financial ratios computed on Standalone basis:

Particulars	FY 2022-23	FY 2021-22	Movement	Remarks
Current Ratio	1.12	1.13	-1.47%	
Debt / Equity Ratio	-2.01	-2.75	26.87%	Due to reduction in EBITDA, Equity has reduced.
Debt Service Coverage Ratio	-1.49	0.47	-414.31%	Due to reduction in EBITDA during the current year
Inventory Turnover Ratio	0.00%	0.00%	0.00%	
Debtors Turnover	24.55%	35.20	-30.25%	Due to realisation of Trade receivables
Net Capital Turnover Ratio	0.24	0.17	42.28%	Due to reduction in Net Current Assets
Net Profit Margin Ratio	-2.14	0.33	747.94%	Due to reduction in EBITDA during current year
Return on Capital Employed	29.96%	-5.36%	602.69%	Due to reduction in EBITDA during current year
Creditors Turnover (in days)	20.13%	29.54	31.85%	Due to payments made to Trade Payables
Interest Coverage Ratio	-1.46	12.37	-111.79%	Due to reduction in EBITDA during current year

There is significant change (i.e. 25% or more as compared to the immediate preceding financial year) in the above key financial ratios due to financial distress of the Company.

11. Cautionary Statement:

Statement in this report on Management Discussion & Analysis describing the Company's projections and estimates may be forward looking and are based on certain assumptions and expectations of future events. Actual results may differ from projections due to demand-supply condition, prices of finished goods and raw material, changes in Government regulations, tax structure and other factors. The Company assumes no responsibility in respect of forward-looking statements which may undergo change on the basis of subsequent development events.

Annexure D”

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The Ratio of remuneration of the Directors to the Median Remuneration of employees of the Company and percentage increase in the remuneration of Directors and KMPs:

Sr. No.	Name	Title	% increase in remuneration in F.Y. 31.03.2023 as compared to F.Y. 31.03.2022	Ratio of Remuneration to Median Remuneration
1	Sankaran Venkata Subramanian	Managing Director	NIL	1.72:1
2	Yash Dharmendra Sanghvi	Non-Executive Director	N.A.	-
3	Iyar Rajlaxmi	Non-Executive Director	N.A.	-
4	Shankar Ramnath Iyer	Independent Director	N.A.	-
5	Harishchandra B. Naukudkar	Independent Director	N.A.	-
6	Pundlik Ranaba Davane	Chief Financial Officer	NIL	4.11:1
7	Gaurav Kaushik	Company Secretary	NIL	

1. The percentage increase in remuneration of Non-Executive Director is not applicable, as no remuneration in the form of commission was paid for FY 2021-22 and FY 2022-23.

B.	The Percentage increase in the median remuneration of the employees during the Financial Year	-
C.	No. of Permanent Employees on the rolls of the Company as on 31.03.2023	8
D.	Average Percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Avg. increase in fixed salaries of employees including managerial personnel in last financial year was 0%
E.	Affirmation that the remuneration is as per the remuneration policy of the Company	The Company affirms that remuneration paid is as per Remuneration Policy of the Company.
F.	Statement of particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended 31.03.2023	None of the Employee was covered under the criteria of Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended 31.03.2023.
G.	Any employee if employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two (2) percent of the equity shares of the Company.	None of the Employee was covered under the criteria of Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended 31.03.2023.



MANAGING DIRECTOR AND CFO CERTIFICATION TO THE BOARD

To,

The Board of Directors,

STERLING POWERGENSYS LIMITED

We, Sankaran Venkata Subramanian, Managing Director and Pundlik Davane, CFO do hereby certify as follows:

I have reviewed the financial statements and the cash flow statement for the year and to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards applicable laws and regulations.

To the best of our knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code conduct.

I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have to disclosed to Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

I have indicated to the Auditors and the Audit Committee:

1. Significant changes in internal control over financial reporting during the year;
2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. There were no Instances of significant fraud of which we have become aware and there were no involvements therein, if any, of the management or an employee having a significant role in the Company's internal system over financial reporting. Hence, I have given Nil report in this matter.

I affirm that the Management have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct, if any)

We further declare that all Board members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the current year.

FOR STERLING POWERGENSYS LIMITED

SD/-

**SANKARAN VENKATA SUBRAMANIAN
(MANAGING DIRECTOR)**

FOR STERLING POWERGENSYS LIMITED

SD/-

**PUNDLIK RANABA DAVANE
(CFO)**

**PLACE: MUMBAI
DATE: 17/05/2023**

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I, Sankaran Venkata Subramanian, Managing Director of Sterling Powergensys Limited, hereby declare that all the Members of the Board of Directors and the Senior Management personnel have affirmed compliance with the code of conduct as required under Regulation 17(5) of SEBI (Listing Obligation & Disclosure Regulation, 2015 for the year ended March 31, 2023.

**DATE: 17/05/2023
PLACE: MUMBAI**

**Sd/-
SANKARAN VENKATA SUBRAMANIAN
MANAGING DIRECTOR
STERLING POWERGENSYS LIMITED**

INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF
STERLING POWERGENSYS LIMITED

1) Report on the financial statements

We have audited the accompanying financial statements of STERLING POWERGENSYS LIMITED, which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss for the year then ended, Cash Flow Statements and a summary of significant accounting policies and other explanatory information.

2) Management responsibility for the financial statement

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("The Act"), with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule of the Companies (Accounts) Rules, 2014, as prescribed by the Institute of Chartered Accountants of India 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 misstatements, whether due to fraud or error.

3) Auditors responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4) Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes from 1-28, annexed thereon gives the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In case of the Balance Sheet, of the state of the Company's affairs as at 31st March, 2023
- b) In case of the Statement of Profit & Loss Account, of the profit for the year ended on that date, and
- c) Its cash flows for the year ended on that date



STERLING POWERGENSYS LIMITED

5) Report on other legal and regulatory requirements

As required by the Companies (Auditors' Report) Order, 2004, issued by the Central Government in terms of sub section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order

6) Further to our comments in the above Para on the basis of our audit, we report that:

- a.) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit
- b.) In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of the books of account;
- c.) The Balance Sheet and Profit and Loss Account dealt with this report are in agreement with the books of Accounts;
- d.) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e.) On the basis of written representations received from the directors as on 31st March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- f.) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**For M/s. D G M S & Co.
Chartered Accountants**

**(Atul Doshi)
Partner
M.No. 102585
FRN:112187W
UDIN: 23102585BGTCWN5116**

**Place: Mumbai
Dated:17/05/2023**

ANNEXURE TO THE AUDITORS REPORT

The Annexure referred to in our report to the members of **STERLING POWERGENSYS LIMITED** for the year Ended on March 31st, 2023. We report that:

S. No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	The company has maintained fixed assets register showing full particulars, including quantitative details and situation of fixed assets.
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	The fixed assets has been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
(ii)	(a) whether physical verification of inventory has been conducted at reasonable intervals by the management;	The management has physically verified inventory of stock of material and stock in process and frequency of verification is reasonable
	(b) are the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business. If not, the inadequacies in such procedures should be reported;	In our opinion, the procedure for physical verification of stocks and stock in process as followed by the management is reasonable and adequate in relation to size of the company and nature of its business.
	(c) whether the company is maintaining proper records of inventory and whether any material discrepancies were noticed on physical verification and if so, whether the same have been properly dealt with in the books of account;	The company is maintaining proper records of inventory. The discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of accounts.
(iii)	(a) whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. If so,	The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
	(b) whether receipt of the principal amount and interest are also regular; and	As the company has not granted loans, this clause is Not Applicable.
	(c) if overdue amount is more than rupees one lakh, whether reasonable steps have been taken by the company for recovery of the principal and interest;	As the company has not granted loans, this clause is Not Applicable.
(iv)	Is there an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Whether there is a continuing failure to correct major weaknesses in internal control system.	According to the information given to us and in our opinion there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase and sale of goods and services and fixed assets. During the year, company has sold certain fixed assets and the same is dealt appropriately in books of accounts. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
(v)	In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	In our opinion and according to the information and explanations given to us, we are of the opinion that company has not accepted any deposits during the year in contravention to provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under



STERLING POWERGENSYS LIMITED

(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained;	According to the information given to us, the maintenance of cost records to the company has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
(vii)	(a) is the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	As informed to us, there are no undisputed amounts payable in respect statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities as at the last date of financial year, that were outstanding for a period of more than six months from the date they became payable except Professional Tax of Rs. 1,39,048/-, & Provident fund of Rs. 11,46,595/-, TDS payable of Rs. 4,69,608/-. The above details does not include amount due for payment under sales tax deferral scheme.
	(b) in case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	As there are no outstanding undisputed statutory dues, this clause is not applicable.
	(c) whether the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.	As per the information provided to us, the company is not required to transfer any amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
(viii)	whether in case of a company which has been registered for a period not less than five years, its accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year;	As on March 31st, 2023, the company has accumulated losses. The company has incurred cash losses during the financial year covered by our audit and has also incurred cash losses during the immediately preceding financial year.
(ix)	whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;	On the basis of the records examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or Bank.
(x)	whether the company has given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company;	As informed to us, the company has not given any guarantee for loans taken by others from bank of financial institutions.
(xi)	whether term loans were applied for the purpose for which the loans were obtained;	According to the information and explanations given to us and on overall examination of the Balance sheet of the company, we report that term loans were applied for the purpose for which the loans were obtained.
(xii)	whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.	According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year under audit.

**For M/s. D G M S & Co
Chartered Accountants
FRN: 112187W**

**Sd/-
(Atul B. Doshi)
Partner
M.No. 102585**

**Place:- Mumbai
Date : - 17th May, 2023**

ANNEXURE – A TO THE AUDITOR’S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of **STERLING POWERGENSYS LIMITED** as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

**For M/s. D G M S & Co.
Chartered Accountants
(Atul Doshi)
Partner**

**Place: Mumbai
Dated: 17/05/2023**

**FRN:112187W
UDIN: 23102585BGTCWN5116**



STERLING POWERGENSYS LIMITED

BALANCE SHEET AS AT MARCH 31, 2023

(Rs. in Thousand)

Sr. No.	Particulars	Notes	As at March 31, 2023	As at March 31, 2022
A	ASSETS			
1)	Non-Current Assets			
	Property, plant and equipment	3	16,141.31	18,613.52
	Other intangible assets	3	25.83	-
	Intangible assets under development	-	-	-
	Financial assets			
	(i) Investments	4	13.00	13.00
	(ii) Other financial assets	6(e)	161.06	161.06
	Other non current assets	7	-	-
	Total Non-Current Assets		16,341.20	18,787.59
2)	Current Assets			
	Inventories	5	15,817.95	15,817.95
	Financial assets			
	(i) Trade receivables	6(a)	81,024.45	109,516.64
	(ii) Cash and cash equivalents	6(b)	281.16	34.23
	(iii) Bank balance other than (iii) above	6(c)	-	-
	(iv) Loans	6(d)	432.42	256.52
	(v) Other financial assets	6(e)	306.41	306.41
	Other current assets	7	31,888.54	28,620.25
	Total Current Assets		129,750.93	154,552.00
	TOTAL ASSETS		146,092.13	173,339.58
B	EQUITY AND LIABILITIES			
1)	EQUITY			
	Equity share capital	8	50,960.00	50,960.00
	Other equity	9	(77,242.07)	(70,163.99)
	Total Equity		(26,282.07)	(19,203.99)
2)	LIABILITIES			
a)	Non-Current Liabilities			
	Financial liabilities			
	(i) Borrowings	10(a)	52,867.26	52,825.96
	(ii) Lease Liabilities		-	-
	(iii) Other financial liabilities	10(c)	-	-
	Provisions	10(d)	3,329.94	3,372.79
	Deferred tax liabilities (Net)		-	-
	Other non-current liabilities	11	-	-
	Total Non-Current Liabilities		56,197.20	56,198.75
b)	Current Liabilities			
	Financial liabilities			
	(i) Borrowings	10(a)	-	-
	(ii) Lease Liabilities		-	-
	(iii) Trade payables	10(b)	-	-
	- Outstanding Dues of MSME		-	-
	- Outstanding Dues of other than MSME		66,429.95	91,900.11
	(iv) Other financial liabilities	10(c)	12,866.77	7,887.59
	Provisions	10(d)	-	-
	Other current liabilities	11	36,880.28	36,557.13
	Total Current Liabilities		116,177.00	136,344.82
	Total Liabilities		172,374.20	192,543.57
	TOTAL EQUITY AND LIABILITIES		146,092.13	173,339.58

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per the attached report of even date
For DGM S & Co.
Chartered Accountants
FRN No. 112187W

Atul B Doshi
Partner
Mem No.: 102585

Place: Mumbai
Date: 17/06/2023

For and on behalf of the Board of Directors of
STERLING POWERGENSYS LTD

S. Venkata Subramanian
Chairman
DIN No - 00107561

Pundalik Davane
CFO

Rajalakshmi Venkat
Director
DIN No - 00107754

CS Gaurav Kaushik
Company Secretary

38TH ANNUAL REPORT 2022-2023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Thousand)

Sr. No.	Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME				
1	Revenue from operations	12	3,300.01	3,111.06
2	Other income	13	24.13	10,347.23
3	Total income		3,324.14	13,458.30
EXPENSES				
4	Cost of materials consumed		-	-
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	14	-	3,023.26
	Employee benefits expense	15	2,099.92	2,478.85
	Depreciation and amortisation expense	16	2,446.39	2,555.67
	Finance costs	17	1,884.47	1,333.66
	Other expenses	18	3,971.43	3,037.01
	Total expenses		10,402.21	12,428.45
5	Profit / (loss) before exceptional items and tax		(7,078.08)	1,029.85
	Exceptional Item		-	-
	Profit / (loss) before tax		(7,078.08)	1,029.85
6	Tax expense			
	Current tax		-	-
	Deferred tax		-	-
	Total tax expense		-	-
7	Profit / (loss) for the year		(7,078.08)	1,029.85
8	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit obligations		-	-
	- Income tax relating to the above items	19	-	-
	Other comprehensive income for the year, net of tax		-	-
9	Total comprehensive income for the year		(7,078.08)	1,029.85
10	Earnings per equity share	21		
	Basic (Face value of Rs.10 each)		(1.39)	0.20
	Diluted (Face value of Rs.10 each)		(1.39)	0.20
	Significant accounting policies	2		
	See accompanying notes to the Financial Statements			

As per the attached report of even date
For DG M S & Co.
Chartered Accountants
FRN No. 112187W

Atul B Doshi
Partner
Mem No.: 102585

Place: Mumbai
Date : 17/05/2023

For and on behalf of the Board of Directors of
STERLING POWERGENSYS LTD

S. Venkata Subramanian
Chairman
DIN No - 00107561

Rajalakshmi Venkat
Director
DIN No - 00107754

Pundalik Davane
CFO

CS Gaurav Kaushik
Company Secretary



STERLING POWERGENSYS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Thousand)

Sr Particulars No	For the year ended March 31, 2023	For the year ended March 31, 2022
A Cash flow from operating activities		
Profit before income tax	(7,078.08)	1,029.85
Adjustments for :		
Depreciation and amortisation expense	2,446.39	2,555.67
Interest Income	-20.01	-58.97
Profit on sale of PPE	-	-10,282.16
Sundry Balances Written Back	-4.12	-
Interest Expense	1,884.47	1,333.66
Operating profit before working capital changes	(2,771.35)	(5,421.95)
Change in operating assets and liabilities:		
(Increase) / Decrease in Trade receivables	28,492.19	18,769.48
(Increase) / Decrease in Inventories	-	3,023.26
(Increase) / Decrease in Loans	(175.90)	(11.14)
(Increase) / Decrease in Other Financial Assets	-	(12.52)
(Increase) / Decrease in Other current & non current Assets	(3,268.29)	3,652.52
Increase / (Decrease) in Trade Payables	(25,470.16)	(18,420.38)
Increase / (Decrease) in Other Financial Liabilities	4,979.18	(1,044.04)
Increase / (Decrease) in Other current & non current Liabilities	327.27	(571.21)
Increase / (Decrease) in Provisions	(42.85)	-
Cash generated from operations :	2,070.09	(35.97)
Direct taxes paid (net)	-	-
Net cash from operating activities (A)	2,070.09	(35.97)
B Cash flows from investing activities		
Capital expenditure on property, plant and equipment (PPE)	-	-
Proceeds from disposal of property, plant and equipment	-	10,268.16
Interest received	20.01	58.97
Investment in other financial asset	-	-
Net cash (used) in Investing activities (B)	20.01	10,327.13

38TH ANNUAL REPORT 2022-2023

(Rs. in Thousand)

Sr Particulars No	For the year ended March 31, 2023	For the year ended March 31, 2022
C Cash flows from financing activities		
Proceeds/Repayment from of Non-Current borrowings	41.30	(9,039.79)
Proceeds/Repayment from of Current borrowings	-	-
Interest paid	(1,884.47)	(1,333.66)
Net cash (used) in financing activities (C)	(1,843.17)	(10,373.45)
NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	246.93	(82.29)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	34.23	116.52
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	281.16	34.23

Notes :

- All figures in bracket are outflow.
- Direct taxes paid are treated as arising from operating activities, thus not bifurcated between investing and financing activities.
- The total of cash and cash equivalent is as per balance sheet.
- The cash flow statement has been prepared under indirect method as per Ind AS -3 " Cash Flow Statement " .

As per the attached report of even date For and on behalf of the Board of Directors of

For D G M S & Co.
Chartered Accountants
FRN No. 112187W

Atul B Doshi
Partner
Mem No.: 102585

Place: Mumbai
Date : 17/05/2023

For and on behalf of the Board of Directors

S. Venkata Subramanian **Rajalakshmi Venkat**
Chairman **Director**
DIN No - 00107561 **DIN No - 00107754**

Pundalik Davane
CFO

CS Gaurav Kaushik
Company Secretary

**STERLING POWERGENSYS LIMITED****STATEMENT OF CHANGES IN EQUITY****A. Equity Share Capital**

(Rs. in Thousand)

	Notes	Amount
As at March 31, 2022		50,960,000
Changes in equity share capital during the year	9	-
As at March 31, 2023		50,960,000

B. Other Equity

(Rs. in Thousand)

Particulars	Notes	Reserves and Surplus		Total other equity
		Capital Reserve	Retained earnings	
As at March 31, 2022		23,255	(93,419)	(70,164)
Transfer made during the year		-	-	-
Profit for the year		-	(7,078)	(7,078)
Other comprehensive income for the year	10	-	-	-
Total comprehensive income for the year		-	(7,078)	(7,078)
As at March 31, 2023		23,255	(100,497)	(77,242)

Significant accounting policies 2

See accompanying notes to the Financial Statements

As per the attached report of even date**For D G M S & Co.****Chartered Accountants****FRN No. 112187W****For and on behalf of the Board of Directors of****STERLING POWERGENSYS LTD****Atul B Doshi****Partner****Mem No.: 102585****S. Venkata Subramanian****Chairman****DIN No - 00107561****Rajalakshmi Venkat****Director****DIN No - 00107754****Place: Mumbai****Date: 17/05/2023****Pundalik Davane****CFO****CS Gaurav Kaushik****Company Secretary**

NOTES TO THE FINANCIAL STATEMENTS**1 Company overview**

Sterling Powergensys Limited was incorporated in 22nd October, 1984. It is a BSE listed company and incorporated under the provision of Companies Act, 1956. The company is engaged in the business of manufacturing Industrial Boilers and Thermal Power Plants up to 10 MW and Solar Solutions, both in Solar Products and Solar EPC projects.

2 Significant accounting policies**2.1 Basis of preparation****(i) Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the 'Act') read with Companies (Indian Accounting Standards Rules, 2015; and the other relevant provisions of the Act and Rules there under.

(ii) Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lacs, except otherwise indicated.

(iii) Basis of measurement

These Financial statements are prepared under the historical cost convention unless otherwise indicated.

(iv) Use of Estimates and Judgements

The preparation of financial statements in accordance with Ind AS requires management to use of certain critical accounting estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise. Estimates and underlying assumptions are reviewed on an ongoing basis.

2.2 Current versus non-current classification

The Company presents assets and liabilities in its Balance Sheet based on current versus non-current classification.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in one reportable business segment i.e. “Manufacturing Industrial Boilers and Thermal Power Plants”.

2.4 Foreign Currency Transactions / Translations

In preparing the financial statements of the Company, transactions in currencies other than the Company’s functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Income from Services

Revenues resulting from services rendered by the Company are recognized over the period of the contract as and when services are rendered in accordance with the terms of the underlying contracts. The Company collects service tax / Goods and Service Tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest income

Revenue is recognized using effective interest rate on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head “Other income” in the statement of profit & loss.

2.6 Income Tax

Income tax expense comprises current tax and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in OCI.

Current tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company: i) has a legally enforceable right to set off the recognised amounts; and ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from adjustments such as unrealised profit on inventory etc.). Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if: i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability.

2.7 Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount rate.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

2.8 Inventories

Raw materials, components, stores and spares - Lower of cost and net realizable value. 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 is determined on a weighted average basis.

Net realizable 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. Excess and obsolete inventories are fully provided for based on the age and usage pattern of individual items in inventory. Inventory items not consumed in the trailing twelve months are considered obsolete. Management also identifies specific items that may be unusable or obsolete, which are written down regardless of age or usage pattern.

2.9 Financial instruments**A. Financial Assets****Classification**

On initial recognition the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus 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.

**NOTES TO THE FINANCIAL STATEMENTS (Contd.)****Financial assets at amortised cost**

A 'financial asset' is measured at the amortised cost if both the following conditions are met: i) the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and ii) 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 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.

Financial assets included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's financial statements) 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 'pass-through' arrangement; and either: i) the Company has transferred substantially all the risks and rewards of the asset, or ii) 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 transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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 following financial assets and credit risk exposure: i) financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance. ii) trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. 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.

B. Financial Liabilities**Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, at amortised cost (loans and borrowings, and 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 and borrowings and payables, net of directly attributable transaction costs.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**Financial liabilities at fair value through profit or loss**

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised. 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. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised 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.

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.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the Statement of Profit and Loss.

2.10 Property, plant and equipment**Recognition and Measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce Inventories during that period.
- income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

Subsequent Expenditure:

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation:

The Company is providing depreciation based on straight line method at rate based on useful life of assets as prescribed in the Companies Act, 2013.

Further, Schedule II allows Companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets.

Depreciation method, useful live and residual values are reviewed at each financial year end and adjusted if appropriate. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

2.11 Intangible assets

Recognition and measurement

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

The Company has elected to continue with the carrying value of all its intangible assets as recognized in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Amortisation methods and periods

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future sales from the related project, not exceeding ten years. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

2.12 Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in the Notes to the financial statements. Contingent liabilities are disclosed for: i) possible obligations which will be confirmed only by future events not wholly within the control of the Company or ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

2.13 Employee Benefits**Short-term obligations**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Defined Benefit Plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided and the Company will have no legal or constructive obligation to pay further amounts. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefit obligations

The Company's current policies permit certain categories of its employees to accumulate and carry forward a portion of their unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the balance sheet date. Such measurement is based on actuarial valuation as at the balance sheet date carried out by a qualified actuary.

2.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

2.15 Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Company's cash management, are also included as a component of cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

3 PROPERTY, PLANT AND EQUIPMENT

(Rs. in Thousand)

ASSETS	Gross Block			Depreciation			Net Block		
	As at 1st April, 2022	Additions	Deductions/ Adjustments	As at March 31, 2023	Upto 1st April, 2022	For the year	Withdrawals/ Adjustment	As at March 31, 2023	As at March 31, 2022
A TANGIBLE ASSETS									
Lease Assets									
Leasehold Land	318.59	-	-	318.59	109.68	3.22	-	205.69	208.90
Owned Assets	-	-	-	-	-	-	-	-	-
Land	3,448.25	-	-	3,448.25	-	-	-	3,448.25	3,448.25
Factory Building	17,352.32	-	-	17,352.32	9,353.75	624.54	-	7,374.02	7,998.56
Office Premises	945.00	-	-	945.00	-	-	-	945.00	945.00
Plant and Equipments*	45,109.39	-	-	45,109.39	40,293.86	1,752.90	-	3,062.63	4,815.53
Die and Mould	654.83	-	-	654.83	445.95	48.94	-	159.94	208.88
Solar System	1,246.09	-	-	1,246.09	260.75	41.91	-	943.43	985.34
Vehicle	7.00	-	-	7.00	3.94	0.71	-	2.35	3.06
Total	69,081.45	-	-	69,081.45	50,467.93	2,472.22	-	16,141.31	18,613.52
B INTANGIBLE ASSETS									
Software	536.62	-	-	536.62	536.62	44.19	70.02	25.83	-
Total	536.62	-	-	536.62	536.62	44.19	70.02	25.83	-
As at March 31, 2023	69,618.08	-	-	69,618.08	51,004.55	2,516.40	70.02	16,167.14	18,613.52
As at March 31, 2022	70,204.20	-	-	70,204.20	-	2,598.11	-	67,606.09	31,503.29



STERLING POWERGENSYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

4 INVESTMENTS

	As at 31 March 2023	As at 31 March 2022
Investment in Subsidiary		
<i>At Amortised Cost</i>		
AKSPL Powergensys Pvt. Ltd. - 1300 share of Rs . 10/- each fully paid	13.00	13.00
	13.00	13.00

5 INVENTORIES

	As at 31 March 2023	As at 31 March 2022
Material, Stores and Components	-	-
Work In Progress	15,817.95	15,817.95
Total	15,817.95	15,817.95

6 FINANCIAL ASSETS

6(a) TRADE RECEIVABLES

	As at 31 March 2023	As at 31 March 2022
Considered good, Secured	-	-
Considered good, Unsecured	81,024.45	109,516.64
Significant increase in credit risk		
Less: Allowance for doubtful debts	-	-
Total receivables	81,024.45	109,516.64
Current portion	81,024.45	109,516.64
Non-current portion	-	-

Break-up of security details

	As at 31 March 2023	As at 31 March 2022
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	81,024.45	109,516.64
Doubtful	-	-
Sub-total	81,024.45	109,516.64
Allowance for doubtful debts	-	-
Total	81,024.45	109,516.64

Note:

1. Trade receivable are non interest bearing and are generally on terms of 30 to 90 days.
2. No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

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NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

6(b) CASH AND CASH EQUIVALENTS

	As at 31 March 2023	As at 31 March 2022
Cash on hand	126.95	11.21
Balances with banks		
- Current accounts	154.21	23.02
Total	281.16	34.23

6(c) LOANS

	As at 31 March 2023	As at 31 March 2022
Current		
Unsecured, Considered good		
Security deposits	432.42	256.52
Total	432.42	256.52

6(d) OTHER FINANCIAL ASSETS

	As at 31 March 2023	As at 31 March 2022
Non Current		
Fixed deposits with banks with more than 12 months maturity	60.00	60.00
Interest accrued on bank deposits	101.06	101.06
	161.06	161.06
Current		
Other receivable	306.41	306.41
Total	306.41	306.41

7 OTHER ASSETS

	As at 31 March 2023	As at 31 March 2022
Non Current		
Capital Advances	-	-
Advance to suppliers	-	-
	-	-
Current		
Prepaid expenses	-	-
Balance with government authorities	4,640.52	4,598.52
Advance to suppliers	27,248.02	24,021.73
	31,888.54	28,620.25



NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

8 SHARE CAPITAL

(a) Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
Authorised				
Equity Shares of Rs.10/- each	6,000,000	60,000	6,000,000	60,000
Issued, Subscribed and Paid up				
Equity Shares of Rs.10/- each fully paid up	5,096,000	50,960	5,096,000	50,960
Total	5,096,000	50,960	5,096,000	50,960

Terms / rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

None of the above shares are reserved for issue under options/contract/commitments for sale of shares or disinvestment.

Shares allotted, as fully paid up, pursuant to contracts without payment being effected in cash / bonus shares / bought back /forfeited/ call unpaid in previous five years-NIL.

The company does not have any holding company

[b] Details of shareholders holding more than 5% of the aggregate shares in the Company:

Equity shares of (face value: 10 each)

	31 March 2023		31 March 2022	
	No. of shares	% of shares total equity	No. of shares	% of total equity shares
Dharmendra Sanghvi	531,875	10.44	531,875	10.44
Param Kamlesh Kapadia	520,000	10.20	520,000	10.20
S. Venkata Subramanian	464,350	9.11	464,350	9.11
Pradeep G Sanghvi	254,650	5.00	254,650	5.00

[c] Disclosures of Shareholding of Promoters :

	31 March 2023		% Change during the year
	No. of shares	% of total equity shares	
JAYAGOPI P PILLAI	9,600	0.19	NA
PRADEEP GORAKHCHAND SANGHVI	254,650	5.00	NA
DHARMENDRA GORAKHCHAND SANGHVI	531,875	10.44	NA
S VENKATA SUBRAMANIAN	464,350	9.11	NA
BADAMI PAWAN BOTHRA	62,000	1.22	NA

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NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

	31 March 2023		% Change during the year
	No. of shares	% of total equity shares	
PRAVEEN DULICHAND BOTHRA	10,000	0.20	NA
DULI CHAND S BOTHRA	4,000	0.08	NA
GEETAARVIND BOTHRA	4,000	0.08	NA
DEEPAKKUMAR SOMCHAND SHAH	245,050	4.81	NA
DINESH KUMAR AGARWAL	12,500	0.25	NA
BANUMATHI NARASINGHA RAO	60,000	1.18	NA
VIMLA GAJESH BOTHRA	7,000	0.14	NA
PARAM KAMLESH KAPADIA	520,000	10.20	NA
E S SANKARAN	23,400	0.46	NA
GUPTA D NIRMAL	20,000	0.39	NA
JITENDRA RAO V	60,200	1.18	NA
PURUSHOTTAM NAIR	20,000	0.39	NA
P G KRISHNA DAS	76,200	1.50	NA
P R SHAH	127,600	2.50	NA
S RAJAGOPALAN	23,900	0.47	NA
SANGHAVI BAKUL	20,000	0.39	NA
SANGHAVI ROHIT	20,000	0.39	NA
V RAJALASHMI	9,000	0.18	NA
CHANDRA RISHI ESTATES PVT LTD	191,000	3.75	NA
SWETAALLOYS PVT LTD	248,900	4.88	NA
PREMCHAND MEPA SHAH	74,700	1.47	NA

9 Other Equity

	As at 31 March 2023	As at 31 March 2022
Capital Reserve		
Balance at the beginning of the year	23,255	23,255
Add/(Less): Transfer during the the year	-	-
Balance at the end of the year	23,255	23,255
Retained earnings		
Balance at the beginning of the year	(93,419)	(94,449)
Profit for the year	(7,078)	1,030
Items of other comprehensive income recognised directly in retained earnings	-	-
- Remeasurements of post-employment benefit obligation, net of tax	-	-
Balance at the end of the year	(100,497)	(93,419)
Total	(77,242)	(70,164)



NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

10(a) BORROWINGS

i) Non-Current borrowings

	As at 31 March 2023	As at 31 March 2022
Secured		
Loan from Banks*	14,989.93	14,444.85
Unsecured		
Loan from Related Parties	13,430.84	13,934.63
Deferred Sales Tax Liability	24,446.49	24,446.49
	52,867.26	52,825.96

ii) Current borrowings

	As at 31 March 2023	As at 31 March 2022
Secured		
Loan from Banks	-	-
	-	-

* Secured against equitable mortgage of industrial shed, land, office premises and personal guarantee of Chairman Mr. S. Venkata Subramanian.

10(b) TRADE PAYABLES

	As at 31 March 2023	As at 31 March 2022
Current		
Trade payables		
Payables to Micro, Small and Medium Enterprises*	-	-
Payables to others	66,429.95	91,900.11
	66,429.95	91,900.11

*There are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006. This information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

Particulars Outstanding for following periods from due date of payment#

	Less than 1 year	1 - 2 Years	2 - 3 Years	Total
i) MSME	-	-	-	-
ii) Others	1,364 (22,793.48)	56,695 (60,735.61)	8,371.02 (8,371.02)	66,429.95 (91,900.11)
iii) Disputed dues - MSME	-	-	-	-
iv) Disputed dues - Others	-	-	-	-

Amount in brackets relates to Previous Year

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NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

10(c) OTHER FINANCIAL LIABILITIES

	As at 31 March 2023	As at 31 March 2022
Non-current		
Security Deposits	-	-
	-	-
Current		
Interest accrued on term loan	-	-
Accrued expenses	12,866.77	7,887.59
	12,866.77	7,887.59

10(d) PROVISIONS

	As at 31 March 2023	As at 31 March 2022
Non-current		
Provision for Gratuity	3,329.94	3,372.79
	3,329.94	3,372.79
Current		
Other Provisions	-	-
	-	-

11 OTHER LIABILITIES

	As at 31 March 2023	As at 31 March 2022
Current		
Statutory dues	1,925.86	1,602.71
Advance from Customers	34,954.42	34,954.42
	36,880.28	36,557.13



STERLING POWERGENSYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

12 REVENUE FROM OPERATIONS

	For the year ended as on	
	31 March 2023	31 March 2022
Revenue from sale of products (Gross)		
Sale of Solar System	-	85.00
Sale of Mask	-	146.06
	-	231.06
Revenue from rendering services		
Sale of Services	3,300.01	2,880.00
	3,300.01	2,880.00
	3,300.01	3,111.06

13 OTHER INCOME

	For the year ended as on	
	31 March 2023	31 March 2022
Interest income on bank deposits	20.01	58.97
Profit on Sale of Office Premises	-	10,282.16
Sundry Balances written back	4.12	6.11
	24.13	10,347.23

14 COST OF MATERIALS CONSUMED

	For the year ended as on	
	31 March 2023	31 March 2022
Opening stock	-	-
Add: Purchases made during the year	-	-
Less: Closing stock	-	-
	-	-

Note:-

(Stores and spares have not been identified and treated different from Raw material and hence included in the same and not treated as other expenses)

15 CHANGES IN WORK IN PROGRESS

	For the year ended as on	
	31 March 2023	31 March 2022
Opening Work in Progress	15,817.95	18,841.22
Closing Work in Progress	15,817.95	15,817.95
	-	3,023.26

16 EMPLOYEE BENEFITS EXPENSE

	For the year ended as on	
	31 March 2023	31 March 2022
Salaries, wages and bonus	1,799.92	2,178.85
Staff Welfare	-	-
Contribution to funds	-	-
Directors Remuneration	300.00	300.00
	2,099.92	2,478.85

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NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

17 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended as on	
	31 March 2023	31 March 2022
Depreciation and amortisation	2,446.39	2,555.67
	2,446.39	2,555.67

18 FINANCE COSTS

	For the year ended as on	
	31 March 2023	31 March 2022
Bank Charges	5.24	141.77
Interest on WCTL	1,320.26	814.41
Interest on Term Loan	558.97	377.48
Other Borrowing Cost	-	-
	1,884.47	1,333.66

19 OTHER EXPENSES

	For the year ended as on	
	31 March 2023	31 March 2022
Repairs and Maintenance	254.54	8.90
Computer exp	22.08	41.84
Travelling and Conveyance	253.47	53.63
Transport Charges	-	58.72
Telephone Expenses	12.72	7.36
Legal and Professional Charges	467.40	421.20
Postage Printing and Stationery	23.58	19.85
Demat Facility Charges	244.57	65.84
Rent Rates and Taxes	871.01	47.68
Listing Fee	1,500.00	1,711.00
Loading & Unloading Expenses	-	58.50
Membership and Subscription Charges	5.00	5.00
Share Registrar Expenses	-	92.33
Insurance Exp.	-	-
Auditor's Remuneration	125.00	125.00
Electricity Charges	44.65	13.60
Society Charges	8.42	94.30
Advertisement and Sales Promotion	50.40	79.35
GST Interest & Penalty	-	5.14
Service Charges	-	55.45
Other Mis. Expenses	88.61	72.33
	3,971.43	3,037.01

20 Auditors remuneration

	31 March 2023	31 March 2022
Statutory Audit Fees	70,000.00	70,000.00
Tax Audit Fees	25,000.00	25,000.00
Limited Review Fees	30,000.00	30,000.00
	125,000.00	125,000.00



NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

21 Earnings Per Share

	As at 31st March, 2023	Year ended 31st March, 2022
Basic and diluted earning per share (face value of Rs. 10 each)		
- Profit attributable to the equity share holders of the Company	(7,078.08)	1,029.85
- Weighted average number of equity shares (par value of Rs. 10/- each)	5,096,000	5,096,000.00
Basic earnings per share	(1.39)	0.20
- Profit attributable to the equity share holders of the Company	(7,078.08)	1,029.85
- Weighted average number of equity shares (par value of Rs. 10/- each)	5,096,000	5,096,000.00
Diluted earnings per share	(1.39)	0.20

22 Gratuity and other post-employment benefit plans

I Defined Contribution Plan

The Company operate defined benefit plan for gratuity for employees. Under Gratuity Plan, every employee who has completed atleast five years of service gets a gratuity on deparature @ 15 days of last drawn salary for each completed year of service. The maximum gratuity being Rs. 10,00,000/-

	2022-2023	2021-2022
Contribution to Defined Contribution Plan, recognized as Expense for the year are under:		
Employer Contribution to Provident Fund	86.54	110.34
Total	482,582	110

II Defined Benefit Plan

	Gratuity	
	(Un-Funded)	(Un-Funded)
	2022-2023	2021-2022
A Change in Present Value of Obligation		
Present Value of the Obligation at the beginning of Year	3,568.79	3,568.79
Interest Cost	-	-
Current Service Cost	-	-
Benefits Paid	-	-
Actuarial (gain)/ loss on obligations	-	-
Present Value of the Obligation at the end of Year	3,568.79	3,568.79
Fair value of plan assets	-	-
Un-funded liability	3,568.79	3,568.79

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

	Gratuity	
	(Un-Funded)	(Un-Funded)
	2022-2023	2021-2022
B Amount Recognised in the Balance Sheet		
Present Value of the Obligation	3,568.79	3,568.79
Fair value of plan assets	-	-
Un-funded Liability	3,568.79	3,568.79
Unrecognized actuarial gains/ losses	-	-
Un-funded liability recognized in Balance Sheet	3,568.79	3,568.79
C Amount Recognised in the Profit & Loss		
Present Value of the Obligation	3,568.79	3,568.79
Fair value of plan assets	-	-
Un-funded Liability	3,568.79	3,568.79
Unrecognized actuarial gains/ losses	-	-
Un-funded liability recognized in Balance Sheet	3,568.79	3,568.79
D Reconciliation of Balance Sheet		
Present Value of the Obligation at the beginning of period	3,568.79	3,568.79
Total expense recognised in the Profit and Loss Account	-	-
Benefit paid during the period	-	-
Fair value of plan assets	-	-
Present Value of the Obligation at the end of period	3,568.79	3,568.79
E The Assumptions used to determine the benefit obligations are as follows :		
Discount Rate	7.47%	7.47%
Salary Escalation	4.00%	4.00%
Attrition rate	2.00%	2.00%

The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary & relied upon by the Auditors.



STERLING POWERGENSYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

23 Contingent Liability

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest and Penalty on Sales tax*	4,362.89	4,362.89
Bank Guarantee**	-	-

* The company has taken the benefit of Sales Tax Deferral Scheme for deferment of sales tax of Rs. 2,44,46,488/- shown as Non Current Borrowings [Refer Note 10(a)]. The Department of Sales Tax has not allowed the deferment of sales tax amounting to Rs. 49,60,184/- and has levied interest and penalty on the same.

** Exceptional Item comprises of payment of Corporate Bank Guarantee of Rs. 30 lakhs on account of non payment of loan by the sister concern.

The Company has no amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31 March 2020

	As at 31st March, 2023	As at 31st March, 2022
<u>Total outstanding dues of micro and small enterprises</u> <u>(as per the intimation received from vendors)</u>		
a) Principal amount and interest due thereon remaining unpaid	-	-
b) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
d) Interest accrued and remaining unpaid at the end of each accounting year	-	-
e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure	-	-
Total	-	-

The company has not received any intimation from “Suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

The above information regarding Micro, Small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.

- 24 In the opinion of the Board the current assets, loans and advances, balances of which are subject to confirmation by respective parties and are outstanding for long time, if realized in the ordinary course of business have value on realization at least to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities, subject to confirmation by respective parties are adequate and not in excess of amount reasonably necessary.
- 25 In view of BIFR approval of Revival scheme dated 07.04.2011, Company has neither paid nor provided interest liability on unpaid statutory dues and liability of interest thereon has not also been ascertained.
- 26 The company is operating in one segment i.e. Solar Power. Thus, the segment reporting is not required.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

27 Related Party Disclosure

Key Management Personnel (KMP)

Mr. S. Venkat Subrmanian Managing Director

Ms. Rajalakshmi Venkat Director

Details of Related Party Transactions

Particulars	2022-23	2021-22
Remuneration		
Mr. S. Venkata Subramanian	300.00	300.00
	300.00	300.00
Loan Taken during the year		
Mr. S. Venkat Subrmanian	2,971.50	417.50
	-	-
	2,971.50	417.50
Loan Repaid during the year		
Mr. S. Venkat Subrmanian	3,433.02	455.00
	3,433.02	455.00
Reimbursement of Expenses		
Mr. S. Venkat Subrmanian	77.00	246.29
	77.00	246.29
Loan Outstanding at year end		
Mr. S. Venkat Subrmanian	9,734.28	10,195.80
Mr. Deepak S. Shah	3,696.56	3,696.56
	13,430.84	13,892.36
Payable at the year end		
Mr. S. Venkat Subrmanian	16.02	50
Mr. Dinesh Kumar Agarwal	-	42.26
	16.02	92.68



NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

28 Details Of Imported And Indigenous Consumption Of Raw Materials, Stores, Spares And Components

	For the year ended on 31 st March, 2023		For the year ended on 31 st March, 2022	
	Amount in Rs.	% of total consumption	Amount in Rs.	% of total consumption
Imported	-	0.00%	-	0.00%
Indigenous	-	0.00%	-	0.00%
Total	-	0.00%	-	0.00%

29 CIF VALUE OF IMPORTS

	2022-2023	2021-2022
Raw Material	-	-
	-	-

30 Information in respect of foreign exchange inflow & outflow

	2022-2023	2021-2022
Earning in Foreign Currency	-	-
Foreign Exchange Outflow	-	-

31 The figures of previous year have been regrouped or rearranged wherever necessary/practicable to conform to current year's presentation as per Schedule III to the Companies Act 2013.

32 Trade Receivables ageing schedule:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 mths - 1 year	1 - 2 years	2 - 3 years	> 3 years	
(i) Undisputed – considered good	-	-	-	-	81,024.45 (109,516.64)	81,024.45 (109,516.64)
(ii) Undisputed – considered doubtful	-	-	-	-	-	-
(iii) Disputed – considered good	-	-	-	-	-	-
(iv) Disputed – considered doubtful	-	-	-	-	-	-
						81,024.45 (109,516.64)

* Amount in brackets relates to Previous Year.

33 There are no transactions which were not recorded in books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under Income tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

34 During the year, the Company has not executed any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

35 Analytical Ratios

Particulars	Numerator Denominator	As at March 31, 2023	Numerator Denominator	As at March 31, 2022	Variance	Remarks (Only for change in ratio by more than 25%)
(a) Current Ratio	1,297.51	1.12	1,545.52	1.13	-1.47%	
	1,161.77		1,363.45			
(b) Debt-Equity Ratio	528.67	-2.01	528.26	-2.75	26.87%	Due to Reduction in EBITDA, Equity has reduced.
	-262.82		-192.04			
(c) Debt Service Coverage Ratio	(27.47)	-1.49	49.19	0.47	-414.31%	Due to Reduction in EBITDA during current year
	18.43		103.73			
(d) Interest Coverage Ratio	(27.47)	-1.46	164.95	12.37	-111.79%	Due to Reduction in EBITDA during current year
	18.84		13.34			
(e) Return on Equity	(70.78)	26.93%	10.30	-5.36%	602.20%	Due to Reduction in EBITDA during current year
	(262.82)		(192.04)			
(f) Inventory turnover ratio	-	0.00%	-	0.00%	0.00%	
	158.18		158.18			
(g) Trade Receivables turnover ratio	810.24	24.55	1,095.17	35.20	-30.25%	Due to Realisation of Trade Receivables
	33.00		31.11			
(h) Trade payables turnover ratio	664.30	20.13	919.00	29.54	31.85%	Due to Payments made to Trade Payables
	33.00		31.11			
(i) Net capital turnover ratio	33.00	0.24	31.11	0.17	42.28%	Due to Reduction in Net Current Assets
	135.74		182.07			
(j) Net profit ratio	(70.78)	-2.14	10.30	0.33	747.94%	Due to Reduction in EBITDA during current year
	33.00		31.11			
(k) Return on Capital employed	(70.78)	26.96%	10.30	-5.36%	602.69%	Due to Reduction in EBITDA during current year
	(262.56)		(192.04)			
(l) Return on investment	NA	NA				

36 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Market risk; and
- Liquidity risk

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors along with the top management are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to



NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

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 monitored & reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The key risks and mitigating actions are placed before management of the Company who then evaluates and takes the necessary corrective action.

[A] Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, cash and cash equivalents, deposits with banks and other financial instruments measured at amortised cost. The carrying amounts of financial assets represents maximum credit risk exposure. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and deposits. However, the credit risk arising on cash and cash equivalents and bank deposits is limited as the Company invest in deposits with banks and financial institution with credit ratings and strong repayment capacity.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Rs. in Thousand)

	31 March 2023	31 March 2022
Not due	-	-
Past due 1-180 days	-	-
Past due for more than 180 days	81,024	109,517
	81,024	109,517

Expected credit loss assessment

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Cash and cash equivalent

As at the year end, the Company held cash and cash equivalents of Rs. 2,81,159/- (31.03.2022 - Rs. 34,232/-). The cash and cash equivalents are held with banks with good credit rating.

Other bank balances

Other bank balances are held with banks with good credit rating.

Investments

The Company limits its exposure to credit risk by generally investing in fixed deposits of counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

Other financial assets

Other financial assets are neither past due nor impaired.

[B] 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. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. The Company has obtained fund and non-fund based working capital lines from various banks. 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 with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(Rs. in Thousand)

	Carrying amount	Within 1 year	More than 1 year	Total
31 March 2023				
Non-derivatives				
Current borrowings	-	-	-	-
Trade payables	66,429.95	66,429.95	-	66,429.95
Other financial liabilities	12,866.77	12,866.77	-	12,866.77
Total	79,296.72	79,296.72	-	79,296.72
31 March 2022				
Non-derivatives				
Current borrowings	-	-	-	-
Trade payables	91,900.11	91,900.11	-	91,900.11
Other financial liabilities	7,887.59	7,887.59	-	7,887.59
Total	99,787.70	99,787.70	-	99,787.70

[C] Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

(i) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During the year ended March 31, 2023 and March 31, 2022 the Company's borrowings at variable rate were mainly denominated in Indian rupees.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	31 March 2023	31 March 2022
Variable rate borrowings	11,484.95	10,222.69
Fixed rate borrowings	3,504.98	4,222.16
Total borrowings	14,989.93	14,444.85

(b) Sensitivity

	Impact on profit after tax	
	31 March 2023	31 March 2022
USD		
- Increase by 1%	149.90	144.45
- Decrease by 1%	-149.90	-144.45

(A) Financial instruments by category

(Rs. in Thousand)

31 March 2023	FVTPL	Amortised Cost	FVTOCI	Level 1	Level 2	Level 3
Financial assets						
Current						
Loans - Deposits	-	432.42	-	-	-	432.42
	-	432.42	-	-	-	432.42
31 March 2022	FVTPL	Amortised Cost	FVTOCI	Level 1	Level 2	Level 3
Financial assets						
Current						
Loans - Deposits	-	256.52	-	-	-	256.52
	-	256.52	-	-	-	256.52

The management assessed that carrying values of financial assets i.e. trade receivable, cash and cash equivalents, loans, trade payables and other Financial assets and liabilities are reasonable approximations of their fair values.

(B) FAIR VALUE HEIRARCHY

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. The Company has made certain judgements and estimates in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company as classified the financial instruments into three levels prescribed under the accounting standard. An explanation of each level is as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes mutual funds and listed equity instruments that have quoted price. The mutual funds are valued using the closing NAV.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. in Thousand)

Level 2: Level 2 hierarchy includes financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3: If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3 hierarchy.

(C) VALUATION TECHNIQUES

Specific valuation techniques used to value financial instruments include

- the use of quoted market prices for mutual funds
- the use of quoted market prices for equity instruments

There are no items in the financial instruments, which required level 3 valuation.

37 CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**In terms of our report attached.
For D G M S & Co.
Chartered Accountants
FRN No. 112187W**

For and on behalf of the Board of Directors

**Atul B. Doshi
Partner
Mem No.: 102585**

**S. Venkata Subramanian
Chairman
DIN: 00107561**

**Rajalakshmi Venkat
Director
DIN: 00107754**

**Place : Mumbai
Date: 17/05/2023**

**Pundalik Davane
CFO**

**CS Gaurav Kaushik
Company Secretary**



STERLING POWERGENSYS LIMITED

(CORPORATE IDENTIFICATION NO.: L29213MH1984PLC034343)

Regd. Office- Office No.121, Runwal Commercial Complex, Co-Op Premises Ltd, L.B.S. Marg, Mulund West, Mumbai-400080.
Phone: 9619572230/9321803234, E-mail: sterlingstrips84@gmail.com, Website: www.splsolar.in

Form No. MGT-11 PROXYFORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :			
Registered address :			
E-mail Id.:	Folio No./D.P. ID. and Client ID No.*		

*Applicable for members holding shares in electronic form.

I/We being the member(s) of shares of Sterling Powergensys Limited, hereby appoint:

1. Name:	E-mailId:
Address:	
	Signature: or failing him/her,
2. Name:	E-mailId:
Address:	
	Signature: or failing him/her,
3. Name:	E-mailId:
Address:	
	Signature: or failing him/her,

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on Monday, the 26th day of June, 2023 at 03:00 p.m. at Nisarga Restaurant, Runwal Towers, Lal Bahadur Shastri Rd, Mulund West – 400080, Maharashtra, India and at any adjournment thereof in respect of such resolutions and in such manner as indicated below:

Resolution No.	Description	For	Against
ORDINARY BUSINESS			
1.	Adoption of Audited Financial Statements.		
2.	Re-Appointment of Mr. Yash Dharmendra Sanghvi (DIN: 06934650) (Director Liable to Retire by Rotation)		
SPECIAL BUSINESS			
3.	Reclassification of Promoters of the Company as Public Shareholders.		
4.	Sale of the Property of the Company situated at Murbad.		
5.	Alteration of Object Clause of the Memorandum of Association of the Company.		
6.	Opening a Branch Office in Dubai.		

Signed this _____ day of _____ 2023.

Affix Revenue Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Notes:

- Please put a "X" in the Box in the appropriate column against the respective resolutions. if you leave the 'For' or 'Against' Column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- This form of Proxy in order to be effective should be duly completed and deposited at the Registered office of the Company at Office No. 121, Runwal Commercial Complex, Co-Op Premises Ltd, L.B.S. Marg Mulund West, Mumbai – 400 080 not less than 48 hours before the commencement of the meeting.



STERLING POWERGENSYS LIMITED

Corporate Identification No. (CIN - L29213MH1984PLC034343)

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Phone :9619572230/9321803234, E-mail sterlingstrips84@gmail.com, Website: www .spl solar.in

ATTENDANCE SLIP

38TH ANNUAL GENERAL MEETING ON MONDAY, 26TH JUNE, 2023

Please complete this Attendance Slip and hand over at the entrance of the Meeting Hall

DP & Client ID*	No. of Shares
Registered Folio	
Name and Address of the Shareholder(s)/Proxy	
Joint Holder 1	
Joint Holder 2	

*Applicable for Members holding shares in an electronic form.

I hereby record my presence at the 38th Annual General Meeting held on Monday, 26th June, 2023 at 03:00 P.M. at Nisarga Restaurant, Runwal Towers, Lal Bahadur Shastri Rd, Mulund West – 400080, Maharashtra, India

SIGNATURE OF THE SHARE HOLDER/PROXY

If undelivered please return to:

STERLING POWERGENSYS LIMITED

Registered Office

Office No. 121, Runwal Commercial Complex,
Co-Op Premises Ltd, L.B.S. Marg,
Mulund (West) Mumbai-400080,
Maharashtra, India.