Date: 30/11/2024

**The General Manager**
Corporate Relationship Department Limited
BSE Limited Exchange
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,)
Mumbai 400 001
BSE Scrip Code: 532307

**The Manager**
National Stock Exchange of India
Plaza, C/1, Block G
Bandra - Kurla Complex,
Bandra (East
Mumbai 400 051
NSE Symbol: MELSTAR

Dear Sirs,

Sub: **Annual Report under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Company has informed that 37th Annual General Meeting of the Company is scheduled to be held on Monday, December 23, 2024 at 12.00 P.M (IST) through Video Conferencing / Other Audio-visual Means. Pursuant to Regulations 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

We enclose herewith the Annual Report for the financial year 2023-24 along with the Notice convening 37th Annual General Meeting of the Company. The same is also being sent through electronic mode to all those Members whose e-mail addresses are registered with the Company / Depositories / Registrar & Share Transfer Agent.

The same is also available on the Company's website at www.melstarrtech.com

You are requested to take the same on record.

Thanking you,

For Melstar Information Technologies Limited

Meenakshi Ramandasani
Digitally signed by Meenakshi Ramandasani
Date: 2024.11.30 18:47:01 +05'30'

Meenakshi Ramandasani
Company Secretary
M. No. A47336

# 2023 - 2024

# 37TH ANNUAL REPORT

MELSTARR

# 3 7TH ANNUAL GENERAL MEETING

# OF

# MELSTAR INFORMATION TECHNOLOGIES LIMITED


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**NOTICE OF 37th ANNUAL GENERAL MEETING**

Notice is hereby given that the **37th Annual General Meeting (AGM)** of the members of **Melstar Information Technologies Limited** will be held on Monday, December 23, 2024 at 12.00 Noon **through – Video Conferencing (VC) or other Audio-Visual Means (OVAM)** to transact the following businesses:

**ORDINARY BUSINESS:**

**1.** To consider and adopt the Audited Financial Statement of the Company for the financial year ended **March 31, 2024** together with the Reports of the Board of Directors and the Auditors thereon, and in this regard, pass the following resolutions as an **Ordinary Resolution:**

**"RESOLVED THAT** the Audited Financial Statement of the Company for the financial year ended **March 31, 2024** together with the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

**2.** To appoint a Director in place of Mr. Vineet Govardhan Shah (DIN: 01761772) who retires by rotation at this AGM and being eligible, offers himself for re-appointment and, in this regard, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vineet Govardhan Shah (DIN: 01761772), Director who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

**3.** To appoint the Auditors and to fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolutions as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of section 139 and 142 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and all other applicable laws, if any, on the basis of the recommendation made by Audit Committee and proposed by the Board of Directors, M/s. C K S P And Co LLP, Chartered Accountant (Firm Registration No 131228W/W100044), be and are hereby appointed as the Statutory Auditors of the Company, for the second term of five consecutive years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 42nd Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors."

**SPECIAL BUSINESSES**

**4. Appointment of Mr. Tarun Kashyap (DIN: 07358671) as an Executive Director of the Company.**

To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution.**

"RESOLVED THAT pursuant to the provisions of sections 196, 197, 198 and 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Regulation 17(6)of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and re-enactment thereof for the time being in force) and approval of the Board of Directors at their meeting held on November 14, 2024 and the relevant provisions of the Articles of Association of the Company and all applicable guidelines as applicable from time to time, consent of the members of the Company be and is hereby accorded for appointment of Mr.Tarun Kashyap (DIN: 07358671), Director as the Executive Director of the Company for a period of Five (5) years with effect from November 14, 2024, on the terms and conditions including remuneration as set out hereunder with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment.

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| Nature of Duties | The Executive Director shall, devote his whole time and attention to the business and operations of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries and/or associated companies, including performing duties as assigned by the Board from time to time by serving on the boards of such companies. |
| Salary inclusive of all allowances and terms | A. Rs.1,00,000/- per month<br><br>B. Other Terms and Conditions are as follows:<br>1. He shall not be entitled to any sitting fees for attending the meetings of the Board of Directors or any Committee thereof.<br>2. He shall be free to resign his office by giving two-month advance notice in writing to the Company.<br>3. Company can terminate his employment by giving two-month advance notice in writing to |

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| | the Company.<br>4. The term of office of Mr. Tarun Kashyap as an Executive Director of the Company shall be subject to retirement by rotation. |
| Term of Appointment | 5 years w.e.f. November 14, 2024 |

"RESOLVED FURTHER THAT Mr. Tarun Kashyap in the event ceasing to be the Director of the Company at any time during the aforesaid period of service, he shall cease to be the Executive Director and Key Managerial Personnel of the Company and terms and conditions including remuneration, if any, shall forthwith stand terminated."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to revise, enhance, pay, alter and vary from time to time the terms and conditions of the appointment and/or remuneration in such manner as may be agreed to by the Board of Directors within the maximum amounts payable to the Directors in terms of the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force)."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

**5. For making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate**

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

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 1000 Crores (Rupees One Thousand Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

**Registered Office**:
Unit No. 1302, 13th floor, "Raheja Centre", The Free Press Journal Marg, Nariman Point, Mumbai – 400 021

Place: Mumbai
Date: November 14, 2024

**By the Order of the Board**
For **Melstar Information Technologies Limited**

**Sd/-**
**Meenakshi Ramandasani**
Company Secretary
Membership No. A47336

**Notes:**

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 2/2022 dated May 05, 2022 read with General Circular Nos. 21/2024 dated December 14, 2024, 02/2024 dated January 13, 2024, 0/2020 dated May 05, 2020, 17/2020 dated April 13, 2020 and 14/2020 dated April 08, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the 37th Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020, issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

3. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by a Member is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. However, Institutional/Corporate Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting. Institutional/Corporate Members are requested to send a certified true copy of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the Scrutiniser at prakash@sapandassociates.in with a copy marked to cs@melstarrtech.com;

5. Annual Report and AGM Notice is available at the website of the Company at www.metstarrtech.com in the Investor section.

6. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, December 17, 2024 to Monday, December 23, 2024 (both days inclusive).

7. Members desirous of making nomination as permitted under Section 72 of the Companies Act, 2013 in respect of the physical shares held by them in the Company, can make nominations in Form SH-13, which can be procured from the Registrar and Share Transfer Agent M/s Bigshare Services Private Limited (RTA). The Members holding shares in demat form may contact their respective depository participants for such nominations.

8. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrars and Transfer Agents, M/s. Bigshare Services Private Limited (RTA), for consolidation into a single folio.

9. The Board of Directors of the Company has appointed Mr. Prakash Shenoy (Membership No. F12625), Partner, M/s. SAP & Associates, Company Secretaries failing which Mrs. Sapna

Chourasia (Membership No. F12597), Partner, M/s. SAP & Associates, Company Secretaries, as the Scrutinizer for conducting the voting process through electronic means in a fair and transparent manner.

10. The final remote e-voting results of the AGM of the Company shall be declared within 48 hours from the conclusion of the Annual General Meeting. The final results along with the scrutinizers report shall be placed on the Company's website www.metstarrtech.comimmediately after the result is declared by the Chairman.

11. In terms of Sections 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended, the Company is providing the e-voting facility to its Members holding shares in physical or dematerialized form, as on the Cut- Off Date, being Monday December 16, 2024, to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice (the "Remote e-voting"). The remote e-voting commences on Friday, December 20, 2024 at 09.00 a.m. and ends on Sunday, the December 22, 2024 at 5:00 p.m. Detail of the process and manner of Remote e-voting along with the User ID and Password is being sent to all the Members along with the Notice.

12. In accordance with the provisions of the Act, read with the Rules made thereunder, MCA Circulars and SEBI Circulars, the Notice of the Annual General Meeting along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and whose names appear in the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on Friday, November 22, 2024.

13. Re-appointment of a Director: At the ensuing Meeting, Mr. Vineet Goverdhan Shah, Director of the Company retires by rotation under the provision of the Companies Act, 2013 and being eligible, offers himself for re-appointment. The details pertaining to Mr. Vineet Goverdhan Shah pursuant to the requirements of Regulation 36(3) of the Listing Regulations are furnished in the Corporate Governance Report forming part of this Annual Report.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT**

**Item No 4: Appointment of Mr.Tarun Kashyap (DIN: 07358671) as an Executive Director of the Company.**

The Board of Directors at their meeting held on November 14, 2024 has appointed Mr. Tarun Kashyap as an Executive Director of the Company.

He is results-driven aviation professional with 12+ years of experience in flight simulation, flying training, and business development. Proven track record of driving growth, profitability, and operational excellence. He has expertise in Operations Management, Business Management, Strategic Planning, Sales & Business Development, Commercial Management, Training Program Implementation, Relationship Management and Regulatory Compliances.

He has done MBA in Marketing and Sales from Amity University, Bachelor of Arts from Mewar University and pursuing M.com from Sikkim Manipal University and LL.B. From Mewar University. He has Commercial Pilot License from Flight Safety International.

He has Professional Experience in following sectors:

- Aviation Consultant (FTO, ATO & Business Jet Charters) (2018-Present)
- Pier Seven Aviation FZC (Sharjah, UAE)
- Chief Operating Officer (Sep-Nov 2021)
- Safety Manager (2019-2021)
- Head – Business Development & Operations (2018-2021)
- Knots Aviation Inc. (2012-2018)
- Head – Marketing and Business Development

He has achieved 75% annual sales growth in FY 2019-20 in Pier Seven Aviation FZC (Sharjah, UAE).
Introduced 30 minute turnaround time for customer queries, Added 22 new airline & 7 ATO customers, Trained 300 initial pilots on Airbus A320 and Increased simulator utilization from 2,800 to 7,000 hours per annum.

Therefore, the Board of Directors in its meeting held on November 14, 2024 has recommended the appointment of Mr. Tarun Kashyap as an Executive Director who shall be liable to retire by rotation. Mr. Tarun Kashyap, who hold office upto the date of forthcoming annual general meeting and is eligible to be appointed as director and consequently, Executive Director of the Company with terms and conditions as mentioned in the resolution.

Mr. Tarun Kashyap duties and remuneration details are as follows:

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| Nature of Duties | The Executive Director shall, devote his whole time and attention to the business and operations of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries and/or associated companies, including performing duties as assigned by the Board from time to time by serving on the boards of such companies. |
| Salary inclusive of all allowances and terms | A. Rs.1,00,000/- per month<br>B. Other Terms and Conditions<br>1. He shall not be entitled to any sitting fees for attending the meetings of the Board of Directors or any Committee thereof.<br>2. He shall be free to resign his office by giving two-month advance notice in writing to the Company.<br>3. Company can terminate his employment by giving two-month advance notice in writing to the Company. |

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| | 4. The term of office of Mr. Tarun Kashyap as an Executive Director of the Company shall be subject to retire by rotation. |
| Term of Appointment | 5 years w.e.f. November 14, 2024 |

Mr. Tarun Kashyap is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as an Executive Director in compliance with applicable provisions of the Companies Act, 2013.

A Brief resume of Mr. Tarun Kashyap is provided as per Annexure 1. The Board considers that his association would be immense benefit to the Company, and it is desirable to avail services of Mr. Tarun Kashyap as an Executive Director who will work along with Mr. Vineet Goverdhan Shah, Managing Director of the Company.

Except Mr. Tarun Kashyap along with his relatives, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 4 of the this Notice.

The Board recommends the passing of the Ordinary resolution set out at Item No. 4 for the approval of Members.

**Item No.5: For making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate**

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Companies Act, 2013 (Act) . The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

The Company was under Corporate Insolvency Resolution Process ("CIRP") with effect from October 3, 2019 under the provisions of Insolvency and Bankruptcy Code, 2016 ("IBC") by an Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT"). The NCLT vide its order dated November 1, 2023 has approved the Resolution Plan submitted by M/s. Shivasons Solutions India Private Limited under Section 31 of the IBC, which has been implemented in phase wise manner. The powers of the Board of Directors of the Company and its Committees remained suspended from the initiation of CIRP till Board of the Company has been re-constituted i.e. July 3, 2024.

As per the latest audited Balance Sheet of the Company as on 31st March 2024, sixty per cent of the paid-up share capital, free reserves and securities premium account amounts to Rs.8.56 Crores while one hundred per cent of its free reserves and securities premium account amounts to Rs.0 Crores. Therefore, the maximum limit available to the Company under Section 186(2) of the Act for making investments or giving loans or providing guarantees / securities in connection with a loan, as the case may be, is Rs.8.56 Crores.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits. Hence, the Special Resolution at Item No.5 of the Notice, notwithstanding the fact that the same exceeds the limits provided under Section 186 of the Act.

The Directors recommend the Special Resolution as set out at Item No. 5 of the accompanying Notice, for Members' approval.

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

**Annexure 1**

**Details of Directors seeking appointment [pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings]**

| **Details** | Mr. Tarun Kashyap<br>(DIN: 07358671) | Mr. Vineet Govardhan Shah,<br>(DIN: 01761772) |
|---|---|---|
| **Age** | 41 years | 43 years |
| **Qualification** | • MBA in Marketing and Sales from Amity University,<br>• Bachelor of Arts from Mewar University<br>• Pursuing M.com from Sikkim Manipal University<br>• LL.B. From Mewar University.<br>• License of Commercial Pilot from Flight Safety International. | B.com, Diploma in Business Management |
| **Brief Resume (including expertise in specific functional areas)** | He is results-driven aviation professional with 12+ years of experience in flight simulation, flying training, and business development. Proven track record of driving growth, profitability, and operational excellence. He has expertise in Operations Management, Business Management, Strategic Planning, Sales & Business Development, Commercial Management, Training Program Implementation, Relationship Management | Mr. Vineet Shah is a visionary with over 15 years of expertise in finance, management, and sales and marketing. Throughout his successful 20-year career, he has invested in the |

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| | and Regulatory Compliances. | diverse projects, and the development of tech-based infrastructure services.<br><br>Mr. Shah has a rich and varied background in sales and marketing, having successfully managed projects in the past. His strategic investments and extensive experience have enabled him to transform the company successfully. |
| **Terms and conditions of appointment** | Appointment as an Executive Director for a period of five years with effect from November 14, 2024, liable to retire by rotation | Appointment as a non-independent Managing Director for five years with effect from July 3, 2024, liable to retire by rotation |
| **Details of remuneration last drawn** | Nil | Nil |
| **Remuneration proposed to be paid** | Apart from the reimbursement of expenditure incurred for attending meetings of the Board and committees as applicable, he will be paid Rs. 1 lac per month | Apart from the reimbursement of expenditure incurred for attending meetings of the Board and committees as applicable, no other remuneration will be paid by the Company to Mr.Vineet Govardhan Shah |
| **Date of First appointment on the Board** | November 14, 2024, | July 3, 2024 |
| **Shareholding in the** | Nil | Nil |

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| **Company as on the date of this Notice (including as a beneficial owner)** | | |
| **Relationship with other directors / Key Managerial Personnel** | None | None |
| **Number of Board Meetings attended during the financial year 2024-25** | 1 | 3 |
| **Directorship held in other Public companies (excluding Private and Section 8 Companies)** | Nil | Nil |
| **Membership/ Chairmanship held in committees of other Public companies (excluding Private and Section 8 Companies)** | None | None |
| **Listed entities from which the Director has resigned in the past three years** | None | None |

**Registered Office**:
Unit No. 1302, 13th floor, "Raheja Centre", The Free Press Journal Marg, Nariman Point, Mumbai – 400 021

Place: Mumbai
Date: November 14, 2024

**By the Order of the Board**
For **Melstar Information Technologies Limited**

**Sd/-**
**Meenakshi Ramandasani**
Company Secretary
Membership No. A47336

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

i. The voting period begins on Friday, December 20, 2024 at 9:00 A.M. (IST) and ends on Sunday, December 22, 2024 at 5:00 P.M. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, December 16, 2024 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 and joining virtual meetings **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** | 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 is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & |

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| | New System Myeasi Tab and then use your existing my easi username & password.<br><br>▪ 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. For joining the meeting click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option, Select event for which you are desire to attend the AGM under the dropdown option, click on the option **VOTE NOW** on right hand side top corner, you need to click on "VC/OAVM" link placed beside of "**VIDEO CONFERENCE LINK"** option.<br><br>2) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration<br><br>3) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin 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. |
| Individual Shareholders holding securities in demat mode with **NSDL** | 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful |

| | |
|---|---|
| | authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br><br>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br><br>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name **BIGSHARE** and you will be redirected to **i-Vote** website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| 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 or joining virtual meeting & voting during the meeting. |

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.comor 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.
  - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
  - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
  - 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 "**IN FAVOUR**", "**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).*

**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.
  - Click on "**DOCUMENT TYPE**" dropdown option and select document type power of attorney (POA).

- 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.)
- 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. |

**4. Procedure for joining the AGM through VC/ OAVM:**

**For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- The Members may attend the AGM through VC/ OAVM at https://ivote.bigshareonline.com under Investor login by using the e-voting credentials (i.e., User ID and Password).
- 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 attend the AGM under the dropdown option.
- For joining virtual meeting click on the option **VOTE NOW** on right hand side top corner.
- For joining virtual meeting, you need to click on "VC/OAVM" link placed beside of "**VIDEO CONFERENCE LINK"** option.
- Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**The instructions for Members for e-voting on the day of the AGM are as under:-**

- The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

- Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**Helpdesk for queries regarding virtual meeting:**

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') 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.

# DIRECTORS REPORT

The Company was under Corporate Insolvency Resolution Process ("CIRP") with effect from October 3, 2019 under the provisions of Insolvency and Bankruptcy Code, 2016 ("IBC") by an Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT") and Mr. Neehal Mahamulal Pathan was initially appointed as an Interim Resolution Professional (IRP) and thereafter Resolution Professional (RP). The NCLT vide its order dated November 1, 2023 has approved the Resolution Plan submitted by M/s. Shivasons Solutions India Private Limited under Section 31 of the IBC, which has been implemented in phase wise manner and subsequent orders were passed by NCLT on June 25, 2024 and August 09, 2024 on Resolution Plan.

The powers of the Board of Directors of the Company and its Committees remained suspended from the initiation of CIRP until the Board of the Company was re-constituted i.e. July 3, 2024.

As per the approved Resolution Plan, a Monitoring Committee was constituted for the implementation of the Resolution Plan until the reconstitution of Board of Directors and all the decisions which could otherwise have been taken by the Company's Board of Directors, were taken by the Monitoring Committee. Pursuant to implementation of Resolution Plan, erstwhile board of directors of the Company were replaced with the new board of directors with effect from July 3, 2024.

**The Resolution Professional did not comply with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the CIRP period.**

The current Board of Directors presenting this Annual report based on the status of the Company in the Financial Year 2023-24 without assuming any liability whatsoever which may arise due to noncompliance done by RP during the CIRP.

The Board of Directors hereby submit the report of the business and operation of your Company ("Company" or "MELSTAR INFORMATION TECHNOLOGIES LIMITED") along with the Audited financial Statements, for the financial year ended March 31, 2024.

## 1. FINANCIAL RESULTS:

(in Lakhs)

| PARTICULAR | 2023-24 | 2022-23 |
|---|---|---|
| Net Sales/ Income from Operations | - | - |
| Other Income | 1214.23 | - |
| Operating Profit / (Loss) before Interest and Depreciation (PBIDTA) | 1160.35 | - |
| Finance Cost | 32.42 | - |
| Depreciation | - | - |
| Operating Profit / (Loss) before Tax | 1127.93 | (1.02) |
| Net Profit / (Loss) before tax and Exceptional Items | 1127.93 | (1.02) |
| Exceptional Items | - | - |
| Net Profit/ (Loss) before tax and after Exceptional Items | 1127.93 | (1.02) |

| | | |
|---|---|---|
| Provision for Taxation | - | - |
| Net Profit/ (Loss) after Tax | 1127.93 | (1.02) |
| Face Value of Equity Shares (in Rupees) | 10.00 | 10.00 |
| EPS - Basic and Diluted (Before Exceptional Item) (in Rupees) | 7.90 | 0.01 |
| EPS - Basic and Diluted (After Exceptional Item) (in Rupees) | 7.90 | 0.01 |

**2. OPERATIONS:**

There were no operations during the year.

**3. DIVIDEND:**

No Dividend is declared for the financial year ended March 31, 2024 due to the financial position of the Company.

**4. TRANSFER TO RESERVE**

No Transfer has been made to General Reserve as the Company has suffered losses.

**5. SUBSIDIARY(S)**

The Company doesn't have any subsidiary as on March 31, 2024

**6. BUSINESS DESCRIPTION –** No operations during the year.

**7. EVENT SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

The Company was under Corporate Insolvency Resolution Process ("CIRP") with effect from October 3, 2019 under the provisions of Insolvency and Bankruptcy Code, 2016 ("IBC") by an Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT") and Mr. Neehal Mahamulal Pathan was appointed as an IRP and thereafter RP (Resolution Professional). The NCLT vide its order dated November 1, 2023 has approved the Resolution Plan submitted by the Shivasons Solutions India Private Limited under Section 31 of the IBC, which has been implemented in phase manner and subsequent orders were passed by NCLT on June 25, 2024 and August 11, 2024 on Resolution Plan. The powers of the Board of Directors of the Company and its Committees remained suspended from the initiation of CIRP till Board of the Company has been re-constituted i.e. July 3, 2024. As per the approved Resolution Plan, a Monitoring Committee constituted for the implementation of the Resolution Plan till the reconstitution of Board of Director and all the decisions which could otherwise have been taken by the Company's Board of Directors, were taken by the Monitoring Committee. Pursuant to implementation of Resolution Plan, erstwhile board of directors of the Company were replaced with the new board of directors with effect from July 3, 2024.

**8. CHANGE IN THE NATURE OF BUSINESS IF ANY:** No operations carried during the CIRP time However, The Board of Directors had decided to enter into Aviation Sector by entering into Simulator leasing business and approved the change in object clause of the Company and approved by the shareholders on October 1, 2024.

**9. SHARE CAPITAL**: The paid up equity capital as on March 31, 2024, was Rs 14,28,31,390 . During the year under review, your Company has not issued any shares to public, rights, preferential including and/or convertible debentures.

The Board at its meeting held on July 24, 2024 has approved allotment of 27,92,000 equity shares of Rs. 10/- each to Promoters as per Resolution Plan approved by NCLT. Post allotment of equity shares to Promoters and reduction of capital, the shareholding pattern of the Company is as follows:

| Sr No. | Particulars | Number of shares | % of holding |
|---|---|---|---|
| 1 | Promoters | 27,92,000 | 94.85% |
| 2 | Public | 1, 51,737 | 5.15% |
| | **Total** | **29,43,737** | **100%** |

**10. REDUCTION OF CAPITAL**

The Board had fixed August 30, 2024 as the record date for cancellation and extinguishment of all the outstanding equity shares held by the existing public shareholders (other than erstwhile promoters) on the record date as per following ratio:

i) Shareholder holding less than 50 equity shares will hold one equity share and balanced shares will be cancelled.
ii) Shareholder holding more than 50 equity shares will hold one equity share for every 50 equity shares held by them in the Company and balanced shares will be cancelled.

**11. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The current board of directors have framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Policy are given in the Corporate Governance Report and the Policy is posted on the Company's website.

**12. CORPORATE GOVERNANCE:**

The Company adheres to corporate culture of integrity and consciousness. Corporate Governance is a journey for constantly improving sustainable value creation. As required under the provision of Regulation 34 read with Schedule V of the SEBI Listing Regulations, a separate report on Corporate Governance forms part of this Annual Report, together with a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance by the current board of directors.

**13. ANNUAL RETURN:**

The Annual Return of the Company as on March 31, 2024 in Form MGT – 7 in accordance with Section 92(3) and Section 134(3)(a) of the Act as amended from time to time and the Companies (Management and Administration) Rules, 2014, will be made available on the website of the at www.metstarrtech.com.

**14. DIRECTORS:**

Post CIRP, new directors were appointed on the Board by the new management and erstwhile following directors were ceased to be directors from 4th July 2024.

i) Mr. Anant Satish Pathak
ii) Mr. Sirish Kumar Sahoo
iii) Mr. Pramod Shivaji Bhosale
iv) Ms. Shireen Mohd Haneef Khan

The present directors of the Company and their appointment date are as follows:

| Sr. No. | Name of Director | Designation | Date of appointment |
|---|---|---|---|
| 1. | Mr. Vineet Goverdhan Shah | Managing Director | July 3, 2024 |
| 2. | Mr. Uttam Prakash Agarwal | Independent Director | July 24, 2024 |
| 3. | Mr. Subhash Chandra Varshney | Independent Director | July 3, 2024 |
| 4. | Mr. Rajnikant Patel | Independent Director | July 24,2024 |
| 5. | Ms. Alyzaa Merchant | Independent Director | July 3, 2024 |
| 6. | Mr. Tarun Kashyap | Executive Director | November 14,2024 |

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Act and Listing Regulations.

The details of programme for familiarization of Independent Directors with the Company, nature of the industry in which the Company operates and related matters will be uploaded on the website of the Company www.melstarrtech.com.

In terms of the provisions of the Act, Mr. Vineet Govardhan Shah, Director of the Company, retires by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting (AGM). Resolution seeking their re-appointment along-with his profile as required under Regulation 36(3) of the Listing Regulations forms part of the Notice of Thirty Seventh Annual General Meeting.

**15. KEY MANAGERIAL PERSONNEL**

Mr. Vineet Goverdhan Shah, Managing Director, Mr. Tarun Kashyap, Executive Director and Ms. Meenakshi Ramandasani, Company Secretary are the Key Managerial Personnel of the Company post appointment done by new management after taking over the affairs of the Company from Resolution Professional.

**16. NUMBER OF BOARD MEETING:**

No Board or Committee Meetings were held during the year 2023-24. The Committee of Creditors met 2 times December 29, 2023 and January 02,.2024 and Monitoring Committee met two times during the year on January 27, 2024 and February 25, 2024.

**17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**18. MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of the provision of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Management's discussion and analysis is set out in this Annual Report.

**19. RELATED PARTY TRANSACTIONS**

During the year under review, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with

Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Accordingly, there are no transactions that are required to be reported in Form AOC-2.

The policy on Related Party Transactions as approved by the Audit Committee and Board is uploaded on the Company's website at the link http://www.melstarrtech.com/policies.html.

**20. RISK MANAGEMENT REPORT**

In line with the regulatory requirements, the current Board of Directors has framed a Risk Management Policy to identify and access the key business risk areas and a risk mitigation process. A detailed exercise is being carried out at regular intervals to identify, evaluate, manage and monitor all business risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a proper defined framework.

**21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

The Company was under Corporate Insolvency Resolution Process ("CIRP") with effect from October 3, 2019 under the provisions of Insolvency and Bankruptcy Code, 2016 ("IBC") by an Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT") and Mr. Neehal Mahamulal Pathan was appointed as an IRP and thereafter RP (Resolution Professional). The NCLT vide its order dated November 1, 2023 has approved the Resolution Plan submitted by the Shivasons Solutions India Private Limited under Section 31 of the IBC, which has been implemented in phase wise manner and subsequent orders of NCLT dated June 25, 2024 and August 09, 2024. The powers of the Board of Directors of the Company and its Committees remained suspended from the initiation of CIRP till Board of the Company has been re-constituted i.e. July 3, 2024.

**22. HUMAN RESOURCES**

At Melstar, human resource is treated as an important asset and believe in its Contribution in overall growth of the Company. Here, we focus on the workplace of tomorrow that promotes a collaborative, transparent and participative organization culture, encourages innovation and rewards individual Contribution.

**23. PARTICULARS OF JOINT VENTURES OR ASSOCIATE COMPANY:**

The Company does not have any Joint Venture with any person or an associate Company as defined under Section 2(6) of the Companies Act, 2013 ('the Act').

**24. FIXED DEPOSITS:**

During the year under review, your Company has not accepted any fixed Deposits and there were no unclaimed deposits or interest thereon as on March, 31, 2024.

**25. COMMITTEES OF THE BOARD**

As on 31st March, 2024 the Board has three Committee: "Audit Committee", "Nomination and Remuneration Committee" and " Stakeholders Relationship Committee". But, due to IBC Order of the NCLT, authority of the Board and its members suspended and vested to RP and no meeting of the Committee were held during the year.

**26. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

The Board has adopted policies and procedures for ensuring the Orderly and efficient conduct of its business, including adherence to the Company's policies, Safeguarding of its assets,

prevention and detection of Fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. RP / Auditors have not reported fraud during the financial year to the current Board of Directors.

**27. CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS**

The Independent Director shall be of high integrity with relevant expertise and experience with Director having expertise in the fields of manufacturing, marketing, finance, law, governance and general management, so as to have a diverse Board.

**28. SECRETARIAL STANDARDS**

The Company complies with all the applicable Mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) from July 3, 2024.

**29. LISTING ON STOCK EXCHANGES:**

The Company's shares are listed on **BSE Limited** and **NSE Limited.**

**30. DIRECTORS' RESPONSIBILITY STATEMENT:**

As stipulated under **Section 134(3)(c) & (5)** of the Companies Act, 2013, your Directors unable to confirm as under:-

i) that in the preparation of the accounts for the financial year ended 31st March 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 loss of the Company for the year under review;

iii) The Directors have taken proper and sufficient care for maintenance of adequate accounting records to safeguard the company's assets and prevent fraud, in line with the CIRP requirements;

iv) that the Directors have prepared the accounts for the financial year on going concern basis.

v) the Directors have laid down internal financial controls, which are adequate and were operating effectively.

vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The Current Board of Directors unable to make directors responsibility statement due to non-availability of records made available by Resolution Professional.

**31. ANNUAL EVALUATION:**

Under CIRP, no formal performance evaluations of the Board or Committees were conducted, as governance functions were transferred to the Resolution Professional. In normal circumstances, evaluations are conducted in compliance with Section 134(3)(p) of the Companies Act, 2013.

**32. PARTICULARS OF EMPLOYEES:**

Disclosures pertaining to remuneration and other details as required under Section 197(12)

of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014 are provided as per ANNEXURE-II. The Company has no employees during the year.

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

The Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is given in ANNEXURE–I to this report.

**34. AUDITORS:**

**i) STATUTORY AUDITORS:**

In view of the provision of Section 139, 142 and other applicable provisions if any, of the Companies Act 2013 or any amendment thereof or modification thereof, M/s Sarda & Pareek (FRN 109262W) was appointed as Statutory Auditor for the period of three financial year from April 01,2018 to March, 31, 2024 in the 31st Annual General Meeting held on September 27, 2018. M/s Sarda & Pareek (FRN 109262W) resigned for the FY 2020-21 on July 18,2024.

The Board of Directors has recommended the appointment of M/s C K S P And Co LLP, Chartered Accountant (Firm Registration No131228W/W100044) as the Statutory Auditors of the Company to fill the casual vacancy caused due to resignation of M/s Sarda & Pareek which was approved by shareholders through postal ballot result of which was announced on October 1, 2024 and M/s C K S P And Co LLP, Chartered Accountant hold office from the conclusion of this Annual General Meeting to the Conclusion of 37th Annual General Meeting.

The Company has received an eligibility certificate cum consent letter from M/s C K S P And Co LLP, Chartered Accountant to the effect that the appointment, if made, would be in accordance with limits specified under section 141 of the Companies Act, 2013 and as required under SEBI Regulations, they have confirmed that they hold valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditor's Report for the FY 2023-24 contain following qualifications and management reply for the same are as follows:

| **Matter** | **Auditor's Qualifications** | **Management Reply** |
|---|---|---|
| Details of Audit Qualification | 1) With reference to Note No 27 (I) regarding the balance of Trade Payables, Trade Receivables, Loans, Advances, current liabilities, borrowing from others etc. being not confirmed by the parties due to pending reconciliation the management has not sent direct confirmations to parties and hence our inability to state | The current management after taking into consideration NCLT order dated 01/11/2023 with regard to the confirmation of Trade Payables, Trade Receivables, Loans and Advances, Current Liabilities, Borrowings from others etc. we are |

| | | |
|---|---|---|
| | whether these balances are recoverable /payable to the extent stated.<br>2) The company has accumulated losses exceeding the share capital and reserves and its net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the standalone financial results of the Company have been prepared on a going concern basis because of the reasons stated in the Note No. 27 (j) to the standalone financial results. | unable to provide, since the company was under NCLT process and Resolution Professional Mr. Neehal Mahamulal Pathan neither handed over any confirmation he received in past years, nor he provided details / information of Trade Payables, Trade Receivables, Loans and Advances, Current Liabilities, Borrowings from others. The current management will try to ensure their realisability for the same and if it is not payable/recoverable then the required provisions will be made in current financial year. |

**35. SECRETARIAL AUDITORS:**

i. Pursuant to the provisions of Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. S. Talwar & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the FY 2023-24. The Secretarial Audit Report is appended as Annexure III to this Report. The Secretarial Auditor's Report contains following observations and management reply for the same as follows:

| Sr. No. | Compliance Requirement (Regulations/ circulars / guidelines including specific clause) | Deviations | Observations/ Remarks of the Practicing Company Secretary | Management Reply |
|---|---|---|---|---|
| 1. | Regulation 31 of SEBI (LODR) Regulations, 2015 | Non submission / Late Submission | During the year the company's was under the resolution process, during which the resolution professional (RP), managed the company's affair and has delayed submission of quarterly Shareholding pattern for the quarter | The Company was under Corporate Insolvency Resolution Process ("CIRP") with effect from October 3, |

| | | | | |
|---|---|---|---|---|
| | | | ended 31 December 2023 and 31 March 2024. Further it has not yet submitted the quarterly Shareholding pattern for the quarter ended 30 June 2023 and 30 September 2023.<br><br>The new management was appointed from July 2024 onward and submitted quarterly shareholding pattern for the quarter ended 31 December 2023 on 8 July 2024 and 31 March 2024 on 9 July 2024. | 2019 till July 3, 2024.<br><br>The Resolution Professional did not comply with provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the CIRP time. The current Board of Directors are presenting this Annual Report based on the status of the Company in the Financial Year 2023-24 without assuming any liability whatsoever which may arise due to noncompliance during the CIRP. The Company is seeking waiver from imposition of any penalty / fine on the current Board of Directors / Company due to non-compliance done by the RP. |
| 2. | Regulation 55/76 – RSCA of SEBI DP | Non submission | During the year the company's was under the resolution process, during which the resolution professional (RP), managed the company's affair and it has not submitted reconciliation of share capital audit report for any of the quarters of the financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. | |
| 3. | Submission of Annual report for financial year 2022-23 in XBRL format | Non submission | During the year the company's was under the resolution process, during which the resolution professional (RP), managed the company's affair and it has not submitted annual report for the financial year 2022-23 in XBRL format.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. | |

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| 4. | Regulation 27 of SEBI (LODR) Regulations, 2015 | Non submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and it has not submitted corporate governance report for any of the quarters of the financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. | |
| 5. | Regulation 40(9) of SEBI (LODR) Regulations, 2015 | Non submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and it has not submitted PCS certificate for transfer/transmission for the financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. | |
| 6. | Regulation 46(2) of SEBI (LODR) Regulations, 2015 | Non updation | The new management has come into place in July 2024 and posts that the company is in process of completing the updation of website as per the Regulation 46(2) of SEBI (LODR) Regulations, 2015 | |
| 7. | Regulation 33 of SEBI (LODR) Regulations, 2015 | Late submission | During the year the company's was under the resolution process, during which the resolution | |

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| | | | professional(RP), managed the company's affair has delayed submission of quarterly Financial Results along with limited review report for the quarter ended 30 June 2023, 30 September 2023, 31 December 2023 and financial statement along with Auditor's Report for the quarter and year ended 31 March 2024.<br><br>The new management was appointed from July 2024 onward and has submitted Financial results on 14th August 2024 for all the quarters. | |
| 8. | Regulation 24(A) of SEBI (LODR) Regulations, 2015 | Non submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and it has not submitted the Secretarial Compliance Report for the financial year 2023-24 as on the date of signing.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. | |
| 9. | Regulation 13(3) of SEBI (LODR) Regulations, 2015 | Non submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and it has not submitted Statement of Investor grievances for any of the quarters of the financial year 2023-24. | |

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| | | | The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. | |
| 10. | Regulation 30 of SEBI (LODR) Regulations, 2015 | - | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and we could not find documents related to appointment of Company Secretary and Compliance Officer during the financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. | |
| 11. | Regulation 14 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 | Non-payment | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and has not paid the annual listing fee to BSE and NSE including custody fee to CDSL /NSDL for the financial year. | |
| 12. | Section 173 & 174 of the Companies Act, 2013 | - | As per section 173, the Company is required to hold minimum 4 Board Meetings during the financial and the maximum gap between such meetings should not cross more than 120 days.<br>Further, upon our verification, we could not find any notices of meetings or minutes for the financial year 2023-24. | |
| 13. | Section 96 of the Companies Act, 2013 | - | Based on our verification, no Annual General Meeting was held during the financial | |

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|---|---|---|---|---|
| | | | year 2023-24. | |
| 14. | Regulation 17, 18 and 19 of SEBI (LODR) Regulations, 2015 & Section 177 and 178 of the Companies Act, 2013 | - | As the company was under CIRP under the Insolvency and Bankruptcy Code (IBC) the said regulation is not applicable. | |
| 15. | Section 149 of Companies Act 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015 | - | There was no proper document available for understanding the composition of the board of directors for the financial year 2023-24. | |
| 16. | Section 203 of Companies Act 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 | Non-submission | Upon our verification, we could not find form DIR -12 filed with MCA for appointment of Company Secretary.<br><br>The new management came into place from July 2024 and they further appointed of Ms Meenakshi Ramandasani as Company Secretary & Compliance Officer of the company w.e.f. July 03, 2024 | |
| 17. | Section 164 & Section 184 of the Companies Act, 2013 | - | The Company has not submitted to us any document for our verification for the financial year 2023-24. | |
| 18. | Maintenance of Board, Committees & General Meeting minutes as per Section 118 of the Companies Act, 2013 and applicable Secretarial Standards (SS-1 & SS-2). | - | The Company has not submitted any Minutes for the financial year 23-24 for our verification. | |
| 19. | Filing of e-Form DIR-12 for change/appointment of Directors and/or Key Managerial Personnel (KMPs) | - | We did not receive relevant forms for verification for the financial year 2023-24. | |
| 20. | Filing of ADT-1 for appointment of Statutory Auditor | Non-submission | Upon our verification Form ADT-1 for appointment of M/s CKSP and Co LLP as the | |

| | | | | |
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| | | | Statutory Auditor was submitted to Ministry of Corporate Affairs on 21/10/2024.<br><br>The new management came into from July 2024 onward and post that they appointed C K S P AND CO LLP as statutory auditor for the financial year 2020-21 till 2023-2024. | |
| 21. | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 | - | There is no document available/given to us by the company to verify this regulation. | |
| 22. | Regulation 23(9) of SEBI (LODR) Regulations, 2015 | Late submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and it has delayed submission of related party disclosures for financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and has submitted the disclosure on 14th August 2024. | |

ii. **COST AUDITORS:** Cost Audit is not applicable to the Company.

**36. PURCHASE OF SHARES OF THE COMPANY:**

The Company has not given any loan, guarantee or security, or any financial assistance to the employees of the Company for the purpose of purchase or subscription for any shares of the Company or its holding Company pursuant to Section 67(2) of the Companies Act, 2013.

**37. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

**38. ISSUE OF SHARES WITH DIFFERENTIAL VOTING RIGHTS:**

The Company has not issued any shares with differential Voting Rights pursuant to the provisions of Rule 4 of the Companies (Share Capital and Debenture) Rules, 2014.

**39. ISSUE OF SWEAT EQUITY SHARES:**

During the year under review, the Company has not issued any sweat equity shares to any of its employees, pursuant to the provisions of Rule 8 of the Companies (Share Capital and Debenture) Rules, 2014.

**40. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

The Board has duly approved and adopted a policy viz. "Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees" recommended by the Nomination and Remuneration Committee relating to appointment of Directors/ Key Managerial Personnel/ other employees, payment of remuneration to directors/ Key Managerial Personnel/ other employees, Directors qualifications, positive attributes, Independence of Directors and other related matters as provided under the Companies Act, 2013. All the remunerations to the directors/ Key Managerial Personnel/ employees are as per the Companies Policy viz. "Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees

**41. EMPLOYEE STOCK OPTION:**

The Company does not have any Employee Stock Option Scheme for its employees. The Board has given in-principle approval on November 14, 2024 and directed to form a policy related to Employee Stock Option Scheme 2024 (ESOS) to the employees of the Company and employees of the Subsidiary/ Holding / Associates companies, in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, subject to the approval of the members of the Company

**42. ACKNOWLEDGEMENT**

We thank our customers, investors, Government and Semi Government Authorities, Shareholders, Bankers and Financial Institutions and for their continued co-operation and support. The Director also expresses their warm appreciation for the dedicated and sincere services rendered by the Employees of the Company.

**Place: Mumbai** **For Melstar Information Technologies Limited**
**Date November 14, 2024**

**Sd/-**
**Alyazaa Marchant**
**Director**
**DIN: 07164228**

**Sd/-**
**Vineet Goverdhan Shah**
**Managing Director & CFO**
**DIN: 01761772**

**ANNEXURE-I**

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

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

**A. Conservation of Energy**

Due to limited operations under CIRP, the company's energy usage and technology activities remained minimal. Where feasible, energy conservation efforts were maintained, and there were no foreign exchange earnings or outflows during the year

**B. Disclosure of particulars with respect to absorption of Technology, Research and Development (R&D).**

No technology has been imported. Indigenous Technology available has been used for product development/component identifications or offering services and is continuously being upgraded to improve overall performance.

**C. Foreign Exchange earnings & outgo**

The share of the revenues from exports constituted 0% (0% for the previous year) of total revenues of the Company.

(`in lakhs)

| Particulars | 2023-24 | 2012-23 |
|---|---|---|
| Total Foreign Exchange earnings | 0 | 0 |
| Total Foreign Exchange outgo | 0 | 0 |

**ANNEXURE- II**

**Information pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:**

1. **Ratio of Remuneration of each Director to the median remuneration of employees for the financial year ended 31st March, 2024.**

(`₹ in Lakh)

| Name | Designation | Ratio | Remuneration | Median Remuneration |
|---|---|---|---|---|
| Mr. Anant Satish Pathak (DIN: 05338978) | Director | 0 | 0 | 0 |
| Mr Sirish Kumar Sahoo (DIN: 08052666) | Director | 0 | 0 | 0 |
| Mr. Pramod Shivaji Bhosale (DIN: 08669615) | Director | 0 | 0 | 0 |
| Ms. Shireen Mohd Haneef Khan (DIN: 08669626) | Director | 0 | 0 | 0 |

(*) Melstar Information Technologies Limited paid only sitting fees to the non -executive Directors.

2. **% Increase of remuneration of each Director, CFO, CEO, CS in the Financial Year.**

| Directors | % Increase |
|---|---|
| Mr. Anant Satish Pathak | - |
| Mr. Sirish Kumar Sahoo | - |
| Mr. Pramod Shivaji Bhosale | - |
| Ms. Shireen Mohd Haneef Khan | - |

**ANNEXURE-III**

**Form No. MR-3**
**SECRETARIAL AUDIT REPORT**
**For the Financial Year ended 31st March 2024**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,
The Members,
***Melstar Information Technologies Limited***
Unit No. 1302, 13th Floor, Raheja Centre,
The Free Press Journal Marg, Nariman Point,
Mumbai, Maharashtra, India, 400021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ***Melstar Information Technologies Limited (CIN: L99999MH1986PLC040604)*** *(hereinafter called the "Company")*. Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

**Opinion**

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 2024** complied with the statutory provisions 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 2024 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, 2018 and the Regulations and Byelaws framed thereunder.

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not Applicable during the Audit Period

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) 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) Regulations, 2018.

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - *(not applicable since there is no action/ event in pursuance of said regulation)*

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - *(not applicable since there is no action/ event in pursuance of said regulation)*

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.

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - *(not applicable since there is no action/ event in pursuance of said regulation)*

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - *(not applicable since there is no action/ event in pursuance of said regulation)*

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Securities and Exchange Board of India (Listing Obligations 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 **except:**

| Sr. No. | Compliance Requirement (Regulations/ circulars / guidelines including specific clause) | Deviations | Observations/ Remarks of the Practicing Company Secretary |
|---|---|---|---|
| 1. | Regulation 31 of SEBI (LODR) Regulations, 2015 | Non-submission / Late | During the year the company's was under the resolution process, during which the |

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| | | Submission | resolution professional (RP), managed the company's affair and has delayed submission of quarterly Shareholding pattern for the quarter ended 31 December 2023 and 31 March 2024. Further it has not yet submitted the quarterly Shareholding pattern for the quarter ended 30 June 2023 and 30 September 2023.<br><br>The new management was appointed from July 2024 onward and submitted quarterly shareholding pattern for the quarter ended 31 December 2023 on 8 July 2024 and 31 March 2024 on 9 July 2024. |
| 2. | Regulation 55/76 – RSCA of SEBI DP | Non-submission | During the year the company's was under the resolution process, during which the resolution professional (RP), managed the company's affair and it has not submitted reconciliation of share capital audit report for any of the quarters of the financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. |
| 3. | Submission of Annual report for financial year 2022-23 in XBRL format | Non-submission | During the year the company's was under the resolution process, during which the resolution professional (RP), managed the company's affair and it has not submitted annual report for the financial year 2022-23 in XBRL format.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. |
| 4. | Regulation 27 of SEBI (LODR) Regulations, 2015 | Non submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and it has not submitted corporate governance report for any of the quarters of the financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and is in the |

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| | | | process of completing the pending compliances. |
| 5. | Regulation 40(9) of SEBI (LODR) Regulations, 2015 | Non submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and it has not submitted PCS certificate for transfer/transmission for the financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. |
| 6. | Regulation 46(2) of SEBI (LODR) Regulations, 2015 | Non updation | The new management has come into place in July 2024 and posts that the company is in process of completing the updation of website as per the Regulation 46(2) of SEBI (LODR) Regulations, 2015. |
| 7. | Regulation 33 of SEBI (LODR) Regulations, 2015 | Late submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair has delayed submission of quarterly Financial Results along with limited review report for the quarter ended 30th June 2023, 30th September 2023, 31st December 2023 and financial statement along with Auditor's Report for the quarter and year ended 31 March 2024.<br><br>The new management was appointed from July 2024 onward and has submitted Financial results on 14th August 2024 for all the quarters. |
| 8. | Regulation 24(A) of SEBI (LODR) Regulations, 2015 | Non submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and it has not submitted the Secretarial Compliance Report for the financial year 2023-24 as on the date of signing.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. |
| 9. | Regulation 13(3) of SEBI (LODR) Regulations, 2015 | Non submission | During the year the company's was under the resolution process, during which the |

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| | | | resolution professional(RP), managed the company's affair and it has not submitted Statement of Investor grievances for any of the quarters of the financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. |
| 10. | Regulation 30 of SEBI (LODR) Regulations, 2015 | - | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and we could not find documents related to appointment of Company Secretary and Compliance Officer during the financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and is in the process of completing the pending compliances. |
| 11. | Regulation 14 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 | Non-payment | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and has not paid the annual listing fee to BSE and NSE including custody fee to CDSL /NSDL for the financial year. |
| 12. | Section 173 & 174 of the Companies Act, 2013 | - | As per section 173, the Company is required to hold minimum 4 Board Meetings during the financial and the maximum gap between such meetings should not cross more than 120 days.<br>Further, upon our verification, we could not find any notices of meetings or minutes for the financial year 2023-24. |
| 13. | Section 96 of the Companies Act, 2013 | - | Based on our verification, no Annual General Meeting was held during the financial year 2023-24. |
| 14. | Regulation 17, 18 and 19 of SEBI (LODR) Regulations, 2015 & Section 177 and 178 of the Companies Act, 2013 | - | As the company was under CIRP under the Insolvency and Bankruptcy Code (IBC) the said regulation is not applicable. |
| 15. | Section 149 of Companies Act 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015 | - | There was no proper document available for understanding the composition of the board of directors for the financial year 2023-24. |

| | | | |
|---|---|---|---|
| 16. | Section 203 of Companies Act 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 | Non-submission | Upon our verification, we could not find form DIR -12 filed with MCA for appointment of Company Secretary.<br><br>The new management coming was appointed from July 2024 and they further appointed of Ms Meenakshi Ramandasani as Company Secretary & Compliance Officer of the company w.e.f. July 03, 2024 |
| 17. | Section 164 & Section 184 of the Companies Act, 2013 | - | The Company has not submitted to us any document for our verification for the financial year 2023-24. |
| 18. | Maintenance of Board, Committees & General Meeting minutes as per Section 118 of the Companies Act, 2013 and applicable Secretarial Standards (SS-1 & SS-2). | - | The Company has not submitted any Minutes for the financial year 23-24 for our verification. |
| 19. | Filing of e-Form DIR-12 for change/appointment of Directors and/or Key Managerial Personnel (KMPs) | - | We did not receive relevant forms for verification for the financial year 2023-24. |
| 20. | Filing of ADT-1 for appointment of Statutory Auditor | Non-submission | Upon our verification Form ADT-1 for appointment of M/s CKSP and Co LLP as the Statutory Auditor was submitted to Ministry of Corporate Affairs on 21/10/2024.<br><br>The new management after being appointed in July 2024 appointed M/s C K S P AND CO LLP as statutory auditor for the financial year 2020-21 till 2023-2024. |
| 21. | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 | - | There is no document available/given to us by the company to verify this regulation. |
| 22. | Regulation 23(9) of SEBI (LODR) Regulations, 2015 | Late submission | During the year the company's was under the resolution process, during which the resolution professional(RP), managed the company's affair and it has delayed submission of related party disclosures for financial year 2023-24.<br><br>The new management was appointed from July 2024 onward and has submitted the disclosure on 14th August 2024. |

1. *The Statutory auditor has reported in his independent audit report to Note No 27 l regarding the balance of Trade Payables, Trade Receivables, Loans, Advances, current liabilities, borrowing from others etc. being not confirmed by the parties due to pending reconciliation the management has not sent direct confirmations to parties and hence our inability to state whether these balances are recoverable /payable to the extent stated.*

   *The company has accumulated losses exceeding the share capital and reserves and its net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the standalone financial results of the Company have been prepared on a going concern basis because of the reasons stated in Note No. 27 J to the standalone financial results.*

   *Further the statutory auditor has emphasized on the matter to Note No. 27 i regarding an application for initiation of corporate insolvency resolution process of Melstar Information Technologies Limited was admitted by the Hon'ble National Company Law Tribunal, Mumbai vide order dated October 1, 2019, under the Insolvency and Bankruptcy Code, 2016 (IBC) and hence currently, the Company is under corporate insolvency resolution process (CIRP).*

2. *Upon our verification, an update was given by the Company to the stock exchanges on 08th November 2023 regarding Approval of Resolution Plan of Melstar information technologies limited (Under Insolvency Resolution Process) wide order no IN IA No. 467 of 2021&IA No. 555 of 2020 INCP No. (IB) 2839/MB/2018 in CP (IB) No. 2839/MB /2018, in NCLT, Mumbai, Branch-I dated 01.11.2023.*

**We further report that:**

As the Company was under CIRP we could not confirm following below points: -

1. That the Board of Directors of the Company has been duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. Post July 2024 the new management complied with Regulation 17 and constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

3. As informed by the management, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

4. As informed by the management, Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**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.

**We further report that** during the audit period the following events have taken place.

The resolution plan approved submitted by Resolution Applicant SHIVASONS SOLUTIONS INDIA PRIVATE LIMITED, for acquisition of Melstar Information Technologies Limited on going concern basis was approved by the Hon'ble NCLT by its order dated November 11, 2023 ("NCLT Approval Order").

Order dated 25.06.2024 notified that the companies, which are listed on recognized stock exchange, shall have minimum 5% public shareholding.

Order dated 09.08.2024 modify the order dated 25.06.2024 by replacing the words "15166" with the words "151661". The rest of the order shall remain unaltered.

We further report that during the audit period none of the following events have taken place.

(i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
(ii) Redemption / buy-back of securities
(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
(iv) Merger / amalgamation / reconstruction, etc.
(v) Foreign technical collaborations

**Disclaimer: We have not received the required information and documents for preparation of Secretarial Audit Report for the F. Y. 2023-24.**

**We have prepared our report based on inspection of MCA website and Stock Exchange and Audit Report for the financial year 2023-24**.

For **S. Talwar & Associates**
*Company Secretaries*

Sd/-

**Mr. Saurabh Talwar**
ACS: 36045
CP: 13338
PR: 2836/2022
UDIN: A036045F001377187

Place: New Delhi
Date: 30.09.2024

This report is to be read with Annexure A, which forms an integral part of this report.

**Annexure - A**

To,
The Members
***Melstar Information Technologies Limited***
Unit No. 1302, 13th Floor, Raheja Centre,
The Free Press Journal Marg, Nariman Point,
Mumbai, Maharashtra, India, 400021

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

1. Maintenance of secretarial records is the responsibility of the 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 a 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 the 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. Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on a 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 **S. Talwar & Associates**
*Company Secretaries*

Sd/-

**Mr. Saurabh Talwar**
ACS: 36045
CP: 13338
PR: 2836/2022

Place: New Delhi
Date: 30.09.2024

# Management Discussion and Analysis Report

**Forward looking statements**

*Statements in this Management Discussion and Analysis of Financial Conditions and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of the future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statements. Important factors that could influence the Company's operations include interconnect usage charges, determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the country and such other factors globally.*

*The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Accounting Standards notified under Section 133 of the Act. The management of Melstar Information Technologies Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect, in a true and fair manner, the state of affairs for the year during the CIRP.*

*The following discussions on our financial conditions and results of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the Annual Report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company" or "Melstar", are to Melstar Information Technologies Limited.*

**Global Aviation Industry Outlook:**

The demand for air travel is expected to double by 2040, growing at an annual average rate of 3.4%. Origin destination passengers are projected to increase from around 4 billion in 2019 to just over 8 billion at the end of the forecast horizon Market Size The balance of risks, however, remains tilted to the downside. The expectations that demand for air travel will face challenges in the near term, including pressures on airline costs, geopolitical uncertainty, and macroeconomic headwinds that impact household income. Over the long run, the uncertainty around climate change and the costs associated with the net zero transition raise major concerns around the outlook. Developments in regional markets have also prompted upgrades to our near-term outlook. While it was previously expected North America to be the first region to fully recover to 2019 levels in 2023, it is now projected Latin America & Caribbean to also recover this year, given the robust international demand to and from the region and the strong performance of its airlines in meeting pent-up demand for air travel. The Asia Pacific region had recovered at a slower pace compared to the rest of the world, particularly after the prolonged travel restrictions that followed the region's Omicron wave in 2022. When travel restrictions were lifted throughout the region, and especially with China reopening earlier this year, the air passenger traffic recovery accelerated further, bringing the projected recovery year forward to 2024 from 2025. In the other regions, demand for air travel and traffic recovery remained resilient. Over the full forecast horizon, origin destination passengers are expected to increase by 3.9 billion. Asia Pacific is anticipated to contribute to more than half of the forecast growth, supported by favorable demographics and growth in household incomes. Regions

with well-established aviation industries, such as North America and Europe, will continue to see growth but at a slower pace than other regions.

Boeing shared projections for South Asia's commercial aviation sector over the next 20 years, with the region leading the world in yearly passenger traffic growth. The company shared its annual South Asia and India Commercial Market Outlook (CMO) at Wings India 2022, anticipating resilient long-term demand for commercial airplanes and services following the COVID19 pandemic.

South Asia's air travel sector is dominated by the Indian market, which accounts for about 90% of the region's passenger traffic. India's continued economic growth and its expanding middle class will fuel demand across South Asia for 2,400 new commercial jets valued at nearly ₹375 billion during the 20year forecast period, according to Boeing.

Single aisle airplanes will increase their share of total airplane demand to serve India's vast domestic market and competitive regional market, which includes established carriers as well as start-up airlines. To improve and expand longhaul connectivity – especially routes from India to North America and Europe – carriers will continue to invest in versatile, fuel-efficient widebody airplanes.

- Other insights from Boeing's CMO forecast through 2040 include:
- Indian operators will need just over 2,000 new single-aisle airplanes to meet demand during the forecast period.
- Single-aisle airplanes such as the 737 family will continue to serve growth in domestic and regional markets, including flights from India to the Middle East and Asia Pacific regions.
- Indian carriers will need 240 new widebody airplanes such as the 787 Dreamliner to meet long-haul demand.
- India's air cargo growth is expected to average 6.3% annually, driven by the country's manufacturing and ecommerce sectors, including its Make in India initiative. Boeing forecasts demand for more than 75 freighters, including 10 widebodies and 737 Boeing Converted Freighters.
- India's civil aviation industry will require close to 100,000 new pilots, technicians and cabin crew personnel, with an increasing number of women pursuing aviation careers.
- The global aviation sector is growing due to the rise in air travel, leading to a greater demand for trained pilots and crew. This growth fuels the need for pilot and crew training equipment, where leasing offers a cost-effective alternative to purchasing.

**Indian Aviation Industry Outlook:**

The demand for pilot training is huge. In recent times India has witnessed record setting aircraft orders, which have exceeded the current active fleet. Indian carrier has over 1,200 Airbus aircraft and 470 Boeing aircraft on order. In 2023 alone 120 new aircraft were added to the fleet. Each aircraft needs 12 to 16 pilots to be able to run the aircraft efficiently. India presently has about 12,000 active pilots. The country will need close to 8,000 additional pilots in a span of the next five years which means that we need to add close to 1,500 to 2,000 pilots each year to meet the growing demand.

Presently when it comes to Commercial Pilot Licences (CPL), 70% of the training is done abroad. Within the next decade, we anticipate that 30% of the training will be done outside of the country while 70% training will be in India. When it comes to flight simulation training, presently significant proportion is done abroad. This will drop to 10% within the next decade.

Where CPL is concerned, India has 34 to 37 flight schools that are able to cater to less than half of the total licences issued each year. India issued 1,622 pilot licences in 2023, the highest in a decade. Over

95% pilots who train abroad return to India to seek employment in the country each year.

Furthermore:

- India is 7th largest civil aviation market in the world and expected to be the 3rd largest aviation market by 2034
- There are currently 487 airports in India of which 25 are international, 123 airports with scheduled commercial flights
- On average, 1 Airbus aircraft per week is expected to be delivered to Indian carriers over the next 10 years. As such, the need for training is at all-time high in the subcontinent
- Airbus forecasts that India will need over 1,600 new passenger and freighter aircraft by 2034 to keep pace with growth in demand
- The planned new infrastructure facilities and the airlines' expansion plans would create more employment in India
- Vision 2040 of The Ministry of Civil Aviation estimates an exponential growth in number of passengers, aircraft and airports in India.
- DGCA issued a new Civil Aviation Requirement (CAR) under the Rule 29C Rule 133A of the Aircraft Rules 1937 effective from 31st Dec 2019 to boost the flight crew training capacity in India.

**Discussion on Financial Performance with Respect to Operational Performance:**

The Company before invoking CIRP was in the business of IT and IT enabled services which was not continued due to lack of funds and manpower hence presently there is no business in the Company hence no revenue.

The Company's Board of Directors have decided to enter into Aviation Sector by entering into Simulator leasing business and approved the change in object clause of the Company which was approved by the shareholders on 01/10/2024.

The Company intend to start the aviation equipment leasing business focuses on providing aircraft, full flight simulators (FFS), and other essential aviation training equipment to airlines, training centers, and aviation academies. Our country's massive requirement for pilots given the over 1,500 aircraft already on order by Air India, IndiGo, Akasa and other airlines, so there is vast opportunity for global training biggies. International flight simulator provider As per reports, Simaero has decided to invest Rs.100 million in India to train up to 5,000 pilots over the next five years.

**Opportunities, Threats, Risks and Concerns:**

**Strengths:**

- High demand for aviation training due to rising air traffic

- Long-term leases provide stable revenue streams
- Advanced training equipment with strong resale value

**Weaknesses:**

- High initial capital investment
- Dependence on the aviation sector, which is cyclical

**Opportunities:**

- Expanding into emerging markets
- Offering value-added services like training programs

**Threats:**

- Economic downturns affecting the airline industry
- Technological obsolescence of equipment

**Internal Controls and Their Adequacies:**

The internal control system is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliance of corporate policies.

**Human Resources/ Industrial Relations:**

The Company believes and recognizes that its employees are a vital resource in its growth and to give competitive edge in the present business scenario The Company takes pride in the commitment, competence and dedication shown by its employees in all areas.

# REPORT ON CORPORATE GOVERNANCE

**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Company's philosophy on Code of Governance of **"MELSTAR INFORMATION TECHNOLOGIES LIMITED (MITL)"** considers Corporate Governance as a pre-requisite for meeting the needs of its stakeholders. The principles of transparency, accountability, trusteeship, creating robust policies and practices for key processes, equity in all facets of its operations and integrity are at the core of the Company's basic character.

The Board of Directors (**'the Board'**) is at the core of our Corporate Governance practices and oversees how the Management serves andprotects the long-term interests of our stakeholders.

**Melstar's Philosophy on Corporate Governance:**

The corporate governance philosophy at Melstar stems from the set of principles and framework embedded in its values. we are committed to strong corporate governance that is aligned with our objective of maximizing our stakeholders' interests. We adhere to the highest standards of governance, integrity, ethics and transparency. These are driven by our values and principles, which are imbibed at all levels in the Company to ensure that we gain and retain the trust of our stakeholders. Aligning our organization around this cohesive set of values is critical to the fulfillment of our mission and achievement of our business goals.

We have a Code of Conduct with the underlying belief of conducting business in a principled manner. It lays down our values and principles that always guide our actions to live up to our best ideals and to operate our business with the utmost integrity. We ensure that ethical conduct is embedded across our operations and we expect all our employees and external partners to follow the same. Our policies and procedures operate alongside our Code to guide our employees as they conduct their day-today activities. They encompass all relevant laws, regulations and promotional standards.

**Creating Value**

At Melstar, we aim to abide by the highest standards of good governance and ethical behaviour across all levels within the organisation with a zero-tolerance policy towards any deviation from these standards. Our ethical framework focuses on long-term shareholder value creation through responsible decision-making. Melstar's corporate governance framework is founded on the following pillars:

**Transparency**

For us, transparency is key to healthy, self-sustaining growth and promotes self-enforcing checks and balances. It also fosters deep and long-standing trust among our stakeholders. We strive to demonstrate the highest levels of transparency, over and above statutory requirements, through accurate and prompt disclosures.

**Fairness**

We practice fair play and integrity in our transactions with all stakeholders, both within and outside the organisation. We conduct ourselves in the most equitable manner.

**Accountability**

For us, accountability is about holding ourselves firmly responsible for what we believe in and for delivering what we have promised. We ensure this by promoting a mind-set of end-to-end ownership throughout the organisation. By means of openness and transparency, we consider

ourselves accountable to the entire universe of stakeholders including our employees, shareholders, vendors, government agencies, society, medical community, customers and business partners and supply chain participants.

**Competent leadership and management**

We believe that a dynamic, diverse and experienced Board with a focus on excellence plays a pivotal role in Melstar's corporate governance aspirations. In view of this, we endeavour to maintain a Board composition that brings healthy balance of skills, experience, independence, assurance, growth mind-set and deep knowledge of the sector.

**Sustainability**

At Melstar, sustainability is about effectively managing the triple bottom line i.e. the financial, social and environmental aspects, whilst focusing on business continuity. We are committed to pursuing our economic growth while concurrently watching our ecological footprint and increasing our positive social impact.

**Compliance and risk management**

Full adherence to all regulatory and statutory requirements in letter and spirit is a key guiding principle at Melstar. The risk management function targets to maintain a live register of important risks along with implementing a plan to monitor and mitigate them. We believe that effective compliance and risk management activities will drive the sustainability of corporate performance.

The Company has formulated a number of policies and introduced several governance practices to comply with the applicable statutory and regulatory requirements, with most of them introduced long before they were made mandatory. The Company believes that any business conduct can be ethical only when it rests on the nine core values viz. honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship and caring and strives to achieve the same.

**A. Code of ethics**

Our policy document on 'Code of Ethics' demands that our employees conduct the business with impeccable integrity and by excluding any consideration of direct or indirect personal profit or advantage.

**B. Business policies**

Our 'Business Policies' cover a comprehensive range of issues such as fair market practices, inside information, financial records and accounting integrity, external communication, work ethics, personal conduct, policy on prevention of sexual harassment, health, safety, environment and quality.

**C. Policy on Prohibition of insider trading**

The Company's Insider Trading Policy aims at prohibiting trading in the securities of the Company, based on insider or privileged information.

**D. Policy on prevention of sexual harassment**

Our policy on prevention of sexual harassment aims at promoting a productive work environment and protects individual rights against sexual harassment.

**E. Environment Policy**

The Company is committed to achieve excellence in environmental performance, preservation and promotion

of a clean environment. These are the fundamental concerns in all our business activities.

**F. Risk management**

Our risk management procedures ensure that the Management controls various business-related risks

through means of a properly defined framework.

**G. Independent Statutory Auditors**

The Company's Financial Statements for the year 2023- 24 have been audited by an independent audit firm M/s. C K S P AND CO LLP, Chartered Accountants, who were appointed by the Members of the Company under casual vacancy caused by resignation of erstwhile Statutory Auditors.

**BOARD OF DIRECTORS**

The Board is at the core of the Corporate Governance system of your Company. The Board is committed towards compliance of sound principles of Corporate Governance and plays a crucial role in overseeing how the Management serves the short and long-term interests of the Members and other stakeholders. This belief is reflected in the governance practices of the Company, under which it strives to maintain an effective, informed and independent Board.

The Board's operations are duly supported by the Managing Director and Chief Executive Officer, Executive Director, Key Managerial Personnel ("KMPs") and the Senior Management, while discharging its fiduciary duties and in ensuring effective functioning of your Company.

As on March 31, 2024, the Board consists of 6 Directors comprising of 4 Independent Directors, 1 Managing Director and one Executive Director. The composition of your Board is in conformity with Regulation 17(1) of the Listing Regulations and the Companies Act, 2013 ('Act').

As informed in the Directors Report, post CIRP ( 3rd July 2024), the Board composition are as follows:

| Sr. No. | Name of Director | Designation | Date of appointment |
|---|---|---|---|
| 1. | Mr. Vineet Goverdhan Shah | Managing Director | 3rd July 2024 |
| 2. | Mr. Uttam Prakash Agarwal | Independent Director | 3rd July 2024 |
| 3. | Mr. Subhash Kumar Varshney | Independent Director | 3rd July 2024 |
| 4. | Mr. Rajnikant Patel | Independent Director | 24th July 2024 |
| 5. | Ms. Alyzaa Merchant | Independent Director | 24th July 2024 |
| 6. | Mr. Tarun Kashyap | Executive Director | 14th November 2024 |

**Notes:**

a. None of the Directors is related to any other Director nor has any business relationship with the Company.

b. None of the Directors has received any loans and advances from the Company during the year.

c. The Company have not provided loans and advances in the nature of loans to firms/companies in which Directors are interested.

All the Independent Directors of the Company furnish a declaration at the time of their appointment and also annually that they meet the criteria of independence as provided under law. All such declarations are placed before the Board.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are the persons of high integrity and repute. They fulfill the conditions specified in the Act and the rules made thereunder and are independent of the management.

**Conduct of Board Proceedings**

The day to day business is conducted by the executives and the business heads of the Company under the directions of the Board. The Board holds minimum four meetings every year hence forth to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The Board performs the following key functions in addition to overseeing the business and the management:

a. reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions, and divestments;

b. monitoring the effectiveness of the Company's governance practices and making changes as needed;

c. selecting, compensating, monitoring, replacing key executives when necessary and overseeing succession planning;

d. aligning key executives and Board's remuneration with the long term interests of the Company and its shareholders;

e. ensuring a transparent Board nomination process that includes diversity of thought, experience, knowledge, perspective, and gender;

f. monitoring and managing potential conflicts of interest among management, Members of the Board and shareholders, including misuse of corporate assets and abuse in related party transactions;

g. ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and appropriate systems of control in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards;

h. overseeing the process of disclosures and communications; and i. monitoring and reviewing Board's evaluation framework.

**Selection of Independent Directors**

Considering the requirement of skill sets on the Board, eminent persons having independent standing in their respective fields/professions, and who can effectively contribute to the Company's business and policy decisions are considered for appointment by the Nomination and Remuneration Committee, as Independent Directors on the Board.

The Committee, inter alia, considers qualification, positive attributes, balance of skills, areas of expertise, knowledge, experience on the Board including number of Directorships and Memberships held in various Committees of other Companies, and time commitments by such persons. The Independent Directors are chosen from a wide range of backgrounds, having due regard to diversity. The Board considers the Committee's recommendation and takes appropriate decisions.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his/her status as an Independent Director, provides a declaration that he/she meets with the criteria of independence as provided under law.

**Details of Directorship(s)**

The details of Directorship(s), Committee Chairmanship(s) and Membership(s) held by the Directors as on November 14, 2024 are as under:

| **Names of Directors** | **Number of Directorship(s) (including Melstar)** | **Committee Chairmanship(s) / Membership(s) (including Melstar)** | |
|---|---|---|---|
| | | **Membership(s)** | **Chairmanship(s)** |
| Vineet Govardhan Shah | 1 | 2 | - |
| Uttam Prakash Agarwal | 4 | 3 | 2 |
| Rajnikant Patel | 2 | 2 | |
| Subhash Chandra Varshney | 1 | 1 | 1 |
| Alyzaa Merchant | 2 | 1 | 1 |
| Tarun Kashyap | 1 | - | - |

**Notes:**

a. None of the Directors hold Directorships in more than 20 companies of which Directorships in Public Companies does not exceed 10 in line with the provisions of Section 165 of the Act.

b. Pursuant to the provisions of Regulations 17A(1) of the Listing Regulations, none of the Directors hold Directorships in more than 7 listed entities and none of the Independent Directors of the Company hold the position of Independent Director in more than 7 Listed Companies.

c. No Non-Executive Director has attained the age of 75 years.

d. No Director holds Membership of more than 10 Committees of Board nor he/she is a Chairperson of more than 5 Committees across Board, of all listed entities.

e. No Alternate Director has been appointed for any Independent Director.

f. The information provided above pertains to the following Committees in accordance with the provisions of Regulation 26(1)(b) of the Listing Regulations: (i) Audit Committee and (ii) Stakeholders' Relationship Committee.

g. The Committee Memberships and Chairmanship(s) above exclude Memberships and Chairmanships in Private Companies, Foreign Companies and in Section 8 Companies.

h. Memberships of Committees include Chairmanships, if any.

i. The Company's Independent Directors will meet at least once in every Financial Year without the attendance of Non- Independent Directors and Members of management during the year 2024-25.

**Details of Directors**

The resumes of all Directors are furnished hereunder:

**Mr. Vineet Govardhan Shah (DIN: 01761772)**

**Mr. Vineet Shah** is a visionary with over 15 years of expertise in finance, management, and sales and marketing. Throughout his successful 20-year career, he has invested in the diverse projects, and the development of tech-based infrastructure services.

Mr. Shah has a rich and varied background in sales and marketing, having successfully managed projects in the past. His strategic investments and extensive experience have enabled him to transform the company successfully.

As on November 14, 2024, Mr. Vineet Shah did not hold any equity shares of the Company.

**Ms. Alyzaa Merchant (DIN: 07164228)**

Ms. Alyzaa a.k.a. Yogita Salvi is a fellow member of the Institute of Chartered Accountants of India, has a Master's Degree in Accounts and Finance from the University of Mumbai. Her expertise has been in internal audits, international taxation and forensic audits. She has over 2 decades of experience in audits, accounts, finance, management, operations and business development.

As on November 14, 2024, Ms. Alyzaa Merchant did not hold any equity shares of the Company.

**Mr. Subhash Chandra Varshney (DIN: 08657452)**

He is a post Graduate in Science with the highest marks in the University. He held the position of the First Secretary, Trade at the High Commission of India, London, for 4 years. As Additional Director General Training, he conducted many international conferences and workshops. He is Currently engaged in advisory and consultancy work in the field of Goods and Service Tax, Customs and Foreign Trade.

As on November 14, 2024, Mr. Subhash Chandra Varshney did not hold any equity shares of the Company.

**Mr. Uttam Prakash Agarwal, (DIN: 00272983)**

CA Uttam Prakash Agarwal is Chartered Accountant with three decades of experience in taxation, finance, banking, investment, insurance, mutual funds, audit and corporate governance. He holds the honorary membership of Institute of Chartered Accountants of (Australia) and honorary membership of CPA (Certified Public Accountant of Australia). He has been one of the youngest President of ICAI 2009-10. He has been acknowledged by former President of India, Smt. Pratibha Devisingh Patil, for his commendable work in the Profession of Chartered Accountancy, presented with 'Recognition of Excellence Award'. He was also awarded with UDAN 2011 by the Times of India Group newspaper, Navbharat Times and various other awards. He is the non-executive Chairman of Mirae Asset Trustee Company Private Limited and 3I Infotech Limited. He has been on the Board of Reliance Mutual Fund & Bhagalpur smart city - Former member of the Disciplinary Committee of the Institute of Actuaries of India nominated by the Ministry of Finance. Former part time Member on the Board of Insurance Regulatory and Development Authority (IRDA). He has been on various committees of regulatory authority like SEBI, MCA, IRDA, RBI & CAG. As Prolific Speaker, addressed various conferences, seminars, and workshops globally, at ICAI, and authored several books. He was a Technical Advisor on the Board of International Federation of Accountants, Developing Nations Committee and Small and Medium Practices Committee of IFAC & the member of the committee. His never-say-die spirit has enabled him to achieve his long

nurtured dream of repaying back to the CA fraternity and society by introducing a unique concept UPACA Gurukul situated at Rajasthan. His effort to provide a comprehensive solution for problems faced by CA students. The philosophy makes it a unique concept to provide CA classroom training, hostel facilities, articleship, finishing school and regular graduation, all under one roof. The best surroundings and state-of-the-art facilities help in producing Industries Specific Charted Accountants.

As on November 14, 2024, Mr. Uttam Prakash Agarwal did not hold any equity shares of the Company.

**Mr. Rajnikant Patel (DIN: 00003135)**

Financial Services professional with more than 3 decades of experience in Commercial Banking, Banking Regulation, Capital Markets, Commodity Markets, Reg-Tech and Management Consultancy. He was the MD & CEO of Asia's oldest stock exchange Bombay Stock Exchange (BSE) for 8 years. Corporate Governance, Board Ethics and Board performance with reference to the role of Independent Directors is an area he is involved with intensely.

As on November 14, 2024, Mr. Rajnikant Patel did not hold any equity shares of the Company.

**Mr. Tarun Kashyap (DIN: 07358671)**

He is results-driven aviation professional with 12+ years of experience in flight simulation, flying training, and business development. Proven track record of driving growth, profitability, and operational excellence. He has expertise in Operations Management, Business Management, Strategic Planning, Sales & Business Development, Commercial Management, Training Program Implementation, Relationship Management and Regulatory Compliances.

He has done MBA in Marketing and Sales from Amity University, Bachelor of Arts from Mewar University and pursuing M.com from Sikkim Manipal University and LL.B. From Mewar University. He has Commercial Pilot License from Flight Safety International.

He has Professional Experience in following sectors:

- Aviation Consultant (FTO, ATO & Business Jet Charters) (2018-Present)
- Pier Seven Aviation FZC (Sharjah, UAE)
- Chief Operating Officer (Sep-Nov 2021)
- Safety Manager (2019-2021)
- Head – Business Development & Operations (2018-2021)
- Knots Aviation Inc. (2012-2018)
- Head – Marketing and Business Development

He has achieved 75% annual sales growth in FY 2019-20 in Pier Seven Aviation FZC (Sharjah, UAE), Introduced 30 minute turnaround time for customer queries, Added 22 new airline & 7 ATO customers, Trained 300 initial pilots on Airbus A320 and Increased simulator utilization from 2,800 to 7,000 hours per annum.

As on November 14, 2024, Mr. Tarun Kashyap did not hold any equity shares of the Company.

**Core Skills, Expertise and Competencies available with the Board**

The Board comprises of highly qualified Members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The core skills/expertise/competencies required in the Board Members (excluding the nominee director) in the context of the Company's Businesses and sectors functioning effectively as identified by the Board of Directors of the Company are tabulated below::

| Core Area of Expertise | Mr. Vineet Shah | Ms. Alyzaa Merchant | Mr. Subhash Chandra Varshney | Mr. Uttam Prakash Agarwal | Mr. Rajnikant Patel | Mr. Tarun Kashyap |
|---|---|---|---|---|---|---|
| Business Strategy | √ | √ | √ | √ | √ | √ |
| Business Policy | √ | √ | √ | √ | √ | √ |
| Risk Management | √ | √ | √ | √ | √ | √ |
| Legal | - | - | √ | √ | √ | - |
| Commercial | √ | √ | √ | √ | √ | √ |
| Corporate Governance | √ | √ | √ | √ | √ | √ |
| General management and Leadership | √ | √ | √ | √ | √ | √ |

The Company did not have any pecuniary relationship or transactions with any of the Non-Executive Directors except for payment of sitting fees paid for discharge of their duties. None of the Directors hold convertible instruments of the Company.

**Directorships in other Listed Entities**

Mr. Uttam Prakash Agarwal is holding directorship in three listed companies. No other director is holding directorship in any other listed company.

**Audit Committee**

The Audit Committee of the Board, constituted in terms of Section 177 of the Act and Regulation 18 of the Listing Regulations, comprises of majority of Independent Directors namely Ms. Alyzaa Merchant as the Chairperson, Mr.Subhash Chandra Varshney, Mr. Uttam Prakash Agarwal, Mr. Rajnikant Patel, Mr. Vineet Shah are Members.

All the Committee members are financially literate.

The Audit Committee was duly reconstituted to give effect to the changes in the composition of the Board of the Company w.e.f: 24th July 2024. The Company Secretary acts as the Secretary to the Audit Committee.

The Audit Committee, inter alia, advises the management on the areas where systems, processes, measures for

**controlling and monitoring revenue assurance, internal audit and risk management can be improved.**

The terms of reference, inter alia, includes the following:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for the appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by statutory auditors;
4. reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. matters required to be included in the Director's Responsibility Statement to be included in Board's Reports in terms of Section 134(3)(c) of the Act;
   b. changes, if any, in accounting policies and practices and reasons for the same;
   c. major accounting entries involving estimates based on the exercise of judgement by management;
   d. significant adjustments made in the financial statements arising out of audit findings;
   e. compliance with listing and other legal requirements relating to financial statements;
   f. disclosure of any related party transactions; and
   g. modified opinion(s) in the draft audit report;
5. reviewing with the management, the quarterly financial statements before submission to the Board for approval;
6. reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. review and monitor the auditors independence and performance and effectiveness of audit process;
8. subject to and conditional upon the approval of the Board of Directors, approval of Related Party Transactions (RPTs") in the form of specific approval or omnibus approval including subsequent modifications thereto is obtained and review on quarterly basis, of RPTs entered into by the Company pursuant to respective omnibus approval given as above;
9. subject to review by the Board of Directors, review on quarterly basis, of RPTs entered into by the Company pursuant to each omnibus approval given pursuant to (8) above;
10. scrutiny of inter-corporate loans and investments;
11. valuation of undertakings or assets of the Company, wherever it is necessary;
12. evaluation of internal financial controls and risk management systems;
13. reviewing, with the management, performance of statutory and internal auditors, adequacy of internal control systems;
14. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

15. discussion with internal auditors of any significant findings and follow up there on;
16. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. to look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. to review the functioning of the whistle blower mechanism;
20. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc., of the candidate;
21. reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding Rs.10 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the Company and its shareholders;
23. reviewing the compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a Financial Year and shall also verify that the systems for internal control are adequate and are operating effectively; and
24. carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee is also authorised to:

1. investigate any activity within its terms of reference;
2. seek any information from any employee;
3. have full access to information contained in the records of the Company;
4. obtain outside legal and professional advice;
5. secure attendance of outsiders with relevant expertise, if it considers necessary;
6. call for comments from the auditors about internal control systems and scope of audit, including the observations of the auditors;
7. review financial statements before submission to the Board; and
8. discuss any related issues with the internal auditors, statutory auditors and the management of the Company.

The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses;
4. the appointment, removal and terms of remuneration of the chief internal auditor; and
5. statement of deviations:

a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and

b. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

The Audit committee oversees the functioning of the Whistle Blower / Vigil Mechanism of the Company. The Company's Whistle Blower Policy encourages disclosure in good faith of any wrongful conduct on a matter of general concern and protects the whistle blower from any adverse personnel action. It is affirmed that no person has been denied access to the Chairperson of the Audit Committee.

**Nomination and Remuneration Committee**

The Nomination and Remuneration Committee, constituted in terms of Section 178 of the Act and Regulation 19 of the Listing Regulations, comprises of Mr. Rajnikant Patel as Chairman, Mr. Uttam Prakash Agarwal, Mr. Subhash Chandra Varshney, Ms. Alyzaa Merchantas Members.

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

**The terms of reference of the Committee, inter alia, includes the following:**

1. to formulate the criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management;
2. to evaluate a balance of skills, knowledge and experience on the Board of the proposed candidate for appointment of an Independent Director and to prepare a description of the role and capabilities required of an Independent Director;
3. to formulate the criteria for evaluation of the performance of the Independent Directors, the Board and the Committees thereof;
4. to devise a policy on Board diversity;
5. to identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend their appointment to and/or removal from the Board;
6. to formulate a process for selection and appointment of new Directors and succession plans;
7. to recommend to the Board from time to time, a compensation structure for Directors and the Senior Management Personnel;
8. to review and recommend to the Board whether to extend or continue the term of appointment of Independent Director on the basis of the report of performance evaluation of the Independent Directors;
9. to perform functions relating to all share based employee benefits pursuant to the requirements of Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014; and
10. to recommend to the Board all the remuneration in whatever form payable to senior management of the Company.

**IV. Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee comprises of Mr. Subhash Chandra Varshney as Chairperson and Mr. Uttam Prakash Agarwal, Mr. Rajnikant Patel, Ms. Alyzaa Merchant and Mr. Vineet Shah as Members.

The composition and terms of reference of Stakeholders' Relationship Committee are in compliance with the provisions of Section 178 of the Act, and Regulation 20 of the Listing Regulations and other applicable laws.

The Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee.

RP has confirmed that there were no complaints received from shareholders during the year.

**The terms of reference of the Committee, inter alia, includes the following:**

1. to consider and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non receipt of annual reports, issue of new/duplicate certificates and non-receipt of declared dividends;
2. to review and approve the transfer, transmission and transposition of securities of the Company or to sub-delegate such powers;
3. to approve the issue of letter of confirmation in lieu of new/duplicate certificates for shares/debentures or such other securities;
4. to review the transfer of amount and shares to the Investor Education and Protection Fund;
5. to review periodical reports which may be in the interest of the Stakeholders' of the Company;
6. to review measures taken for effective exercise of voting rights by shareholders;
7. to review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Transfer Agent and monitor their functioning;
8. to review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders; and
9. to carry out such other functions as may be delegated by the Board.

**V Risk Management Committee**

The Risk Management Committee comprises of Mr. Uttam Prakash Agarwal as Chairperson and Mr. Subhash Chandra Varshney , Mr. Rajnikant Patel, Ms. Alyzaa Merchant And Mr. Vineet Shah as Members.

The Risk Management Committee has been constituted in accordance with the Regulation 21 of the Listing Regulations. The Company Secretary of the Company acts as the Secretary of the Committee.

The objectives and scope of the Risk Management Committee broadly comprises:

1. Oversight of risk management performed by the executive management;
2. Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
3. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre- defined cycle;
4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and

potential impact analysis and mitigation plan. The Company has a Risk Management Framework to identify, monitor, mitigate and minimize risks.

The aforementioned policy is available on the website of the Company at: www.metstarrtech.com

**Compliance Officer**

Ms. Meenakshi Ramandasani is the Company Secretary and Compliance Officer of the Company.

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. She ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision making at the meetings. He is primarily responsible for assisting the Board in the conduct of affairs of the Company, to ensure compliance with the applicable statutory requirements and Secretarial Standards to provide guidance to Directors and to facilitate convening of meetings. She serves as an interface between the management and the regulatory bodies for governance, statutory, and regulatory issues. The Company Secretary's advice and services are available to all the Directors of the Company.

**Code of Conduct for Prevention of Insider Trading**

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for Directors and Designated Persons of the Company, its subsidiaries and their immediate relatives **("Insider Trading Code")**, in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. Insider Trading Code lays down procedures to be followed and disclosures to be made, while dealing in the shares of the Company and penalties in case of violations.

Directors and Designated Persons of the Company provide disclosure on an annual basis about the number of shares held by them in the Company and by their immediate dependent relatives. Further, they also declare that they have not traded in the shares of the Company based on the unpublished price sensitive information and they have not entered into an opposite transaction i.e. sale/ purchase during the six months from the date of erstwhile transaction as per the provisions of the Insider Trading Code.

Pursuant to the Regulation 3(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 a Structured Digital Database, as mandated under the said regulation is duly maintained.

**Fees to Statutory Auditors:**

During the year under review, the Company and its subsidiaries have made payments to the statutory auditor of the Company for providing audit and other services. The consolidated details of fees are mentioned below:

| **Fees paid to Statutory Auditor by the Company** | **Amount in Rs.** |
|---|---|
| Statutory Audit fees | 1,00,000 |
| **Total** | **1,00,000** |

**Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place a policy aiming at prevention of Sexual Harassment at all workplaces of the Company in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder. An internal Complaint Committee has been set up in the Company in accordance with this legislation to consider and redress complaints received with respect to sexual harassment. As per requirements of SEBI LODR, details of complaints or grievances of the nature covered under the said act are mentioned below

| Particulars | No. of cases |
|---|---|
| Number of complaints pending as on April 1, 2023 | Nil |
| Number of complaints filed during the financial year | Nil |
| Number of complaints disposed of during the financial year | Nil |
| Number of complaints pending as on March 31, 2024 | Nil |

**GENERAL BODY MEETINGS the Annual General Meetings of the Company held during the previous three years were as under:**

The AGM for the Financial Year 2020-21, 2021-22 and 2022-23 is yet to be held. The Registrar of Companies, Mumbai has given extension for holding Annual General Meeting for the Financial Year 2023-24 based on application from the Company till 31st December 2024 vide their order dated September 10, 2024.

**Details of special resolution to be conducted through postal ballot:**

The Board of Directors have approved a postal ballot notice on August 14, 2024 to consider the following proposals for shareholders' approval by special resolution:

| S. No. | Resolutions |
|---|---|
| 1. | Appointment of Mr. Subhash Chandra Varshney (DIN: 08657452) as an Independent Director of the Company |
| 2. | Appointment of Ms. Alyzaa Merchant (DIN: 07164228) as an Independent Director of the Company |
| 3. | Appointment of Mr. Uttam Prakash Agarwal (DIN:00272983) as an Independent Director of the Company |
| 4. | Appointment of Mr. Rajnikant Patel (DIN: 00003135) as an Independent Director of the Company |
| 5. | Alteration of the Object Clause of the Memorandum of Association of the Company |
| 7. | Approval for increase in borrowing powers of the Company under Section 180 (1)(c) of the Companies Act, 2013 |
| 8. | To seek approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the Company. |

The e-voting will commence on August 31, 2024 and ended on September 29, 2024. The resolutions were approved with requisite majority by the members by means of Postal Ballot on October 1, 2024. Mr. Prakash Shenoy, Partner SAP & Associates, Practicing Company Secretaries acted as scrutinizer for the postal ballot.

**Related Parties Transactions**

No materially significant related party transactions were entered by the Company with its promoters or directors, which could be deemed to be potentially conflicting with the interests of the Company. There were some transactions with related parties in the ordinary course of business of the Company. The register of contracts contains details of transaction in which directors are interested and the same is placed before the meeting of the Board. The details of such transactions are disclosed in the Notes to Accounts.

**Code of Conduct**

The Board of Directors has laid down a "Code of Conduct" (Code) for all the Board Members and the senior management of the Company and this Code is posted on the Website of the Company. Annual Compliance affirmation is obtained from every person covered under the Code.

**Risk Management**

A Risk Management Policy is in place, wherein key risks are categorised and assessed in terms of probability and its likely impact on the Company's business which are periodically evaluated and report of the same are placed before the Board for review.

**Statutory Compliance, Penalties and Strictures**

BSE and NSE have levied fine of Rs.11.08 crore each on the Company for non-compliance of various regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the CIRP period. The Company is in the process of filing waiver application with BSE and NSE to waive such fine since there is no fault of the current Board and Resolution Applicant for non compliance.

**Whistle Blower Policy**

The Company has laid down a Whistle Blower Policy. The employees can bring to the notice of the management their concerns on any issues. A "Suggestion Box" is also available in the Company in which employees can deposit in writing their concerns and suggestions even without disclosing their name.

**Subsidiary Company**

The Company has no subsidiary as on March 31, 2024. Further the Company has incorporated two new subsidiaries namely Melstarr Aviations Tech Private Limited on October 15, 2024 and Melstarr Fintech Private Limited on October 28, 2024.

**Credit Rating**: Company has not obtained any credit rating during the year under review.

**Means Of Communication**

The Company publishes its all important information to Newspaper.

The information are also posted on Company's website viz. www.metstarrtech.com and websites of the stock exchange. Information relating to shareholding pattern and compliance on corporate governance norms are also posted on Company's website.

All price sensitive information are immediately informed to Stock Exchange before the same is communicated to general public through newspapers.

**Others**

A firm of Company Secretaries periodically carried out Secretarial Audit to reconcile the total admitte d capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit

reports confirm that the total issued and paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

## GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting Details

| | |
|---|---|
| Day | Monday |
| Date | December 23, 2024 |
| Time | 12:00 Noon |
| Venue | Through Video Conferencing / Other Audio-Visual Mode |
| Dates of Book Closure | Tuesday, December 17, 2024 to Monday, December 23, 2024 (both days inclusive). |

### Financial Year: 01st April, 2024 to 31st March, 2025 Financial Calendar:

1) First Quarter Results: : On or before 14th August
2) Second Quarter / Half yearly Results: : On or before 14th November
3) Third Quarter results : On or before 14th February.
4) Fourth Quarter / Audited Annual Results : On or before 30th May

| **Bombay Stock Exchange Limited** | **The National Stock Exchange of India Limited** |
|---|---|
| Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 | Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 |
| **Code: 532307** | **Code: MELSTAR** |

**Registrar and Share Transfer Agent**: The Complete address of Registrar and Share Transfer Agent for communication is as follows:

**Bigshare Services India Private Limited,**
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis
Makwana Road Marol, Andheri East, Mumbai 400059
Tel: 022 62638200
Fax: 022 62638299

**SHARE TRANSFER SYSTEM**

In terms of Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 ("Listing Regulations"), as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documents to Bigshare Services India Private Limited.

**DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2024**

| Shareholding of Nominal | Number of Shareholders | % of Total Holders | Total Holding in Shares | % of Total Capital |
|---|---|---|---|---|
| 1-500 | 8,398 | 80.26 | 12,75,714 | 8.93 |
| 501- 1000 | 1,038 | 9.92 | 8,86,637 | 6.21 |
| 1001 – 2000 | 457 | 4.37 | 7,12,683 | 4.99 |
| 2001-3000 | 192 | 1.83 | 4,90,663 | 3.44 |
| 3001 – 4000 | 68 | 0.65 | 2,43,282 | 1.70 |
| 4001 – 5000 | 86 | 0.82 | 4,07,527 | 2.85 |
| 5001 – 10000 | 115 | 1.10 | 8,50,423 | 5.95 |
| 10001 and above | 110 | 1.05 | 94,16,210 | 65.93 |

**Stock Data:**

**High/Low of Market Price of Company's Equity shares traded in the Stock Exchange Mumbai during the financial year ended on 31-03-2024 was as follows:**

| Month | High | Low | Month | High | Low |
|---|---|---|---|---|---|
| April 2023 | 2.54 | 2.25 | October 2023 | 2.50 | 2.00 |
| May 2023 | 2.90 | 2.00 | November 2023 | 3.97 | 2.25 |
| June 2023 | 3.25 | 2.52 | December 2023 | 4.88 | 4.04 |
| July 2023 | 2.44 | 1.87 | January 2024 | 6.23 | 3.92 |
| August 2023 | 2.13 | 1,86 | February 2024 | 6.00 | 5.00 |
| September 2023 | 2.27 | 1.85 | March 2024 | 5.81 | 4.30 |

**SHAREHOLDING PATTERN AS AT 31ST MARCH, 2024**

| | Category | No. of shares | % of holding |
|---|---|---|---|
| A | Promoters' holding | | |
| 1 | Bodies Corporate pursuant to open offer purchase | 67,20,976 | 47.06 |
| B | Non-Promoters holding | | |
| 1 | Banks, Financial Institutions, Insurance Companies (Central / State Government Institutions / Non-Gov. Institutions | - | - |
| 2 | Private Corporate Bodies | 3,38,590 | 2.37 |
| 3 | Indian Public / HUFs/ Employees | 69,10,986 | 48.39 |
| 4 | NRIs | 2,19,107 | 1.53 |
| 5 | Foreign Individuals | - | - |
| 6 | Others, | 700 | 0.00 |
| 7 | CLEARING MEMBER | 33,830 | 0.24 |
| 8 | OVERSEAS CORPORATE BODIES | 58,950 | 0.41 |
| | **TOTAL** | **1,42,83,139** | **100.00** |

**Dematerialization of Shares and Liquidity:** All shares of the Company are under compulsory

dematerialization for delivery on sale / purchase. As at 31.03.2024, the number of shares of the Company in demat form stood at 1,40,30,488 shares representing 98.24 % of shares issued by the Company. Considering the advantages of trading in demat form, members are encouraged to consider dematerialisation of their shareholding so as to avoid inconvenience in future.

Demat ISIN Number allotted to company's shares by **NSDL** and **CDSL** is**: INE817A01019.**

**Unclaimed Shares lying in Demat Suspense Account:**

The Company has required to open demat suspense account (no. IN302902/47834376) as per the requirements of Regulation 39 read with Schedule VI of SEBI LODR (previously SEBI Circular No. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 amending the erstwhile listing agreement) for the purpose of holding unclaimed shares.
No shares were transferred to Suspense Account.

**Transfer to IEPF**

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") and amendments made thereunder, the Company was required to file with the Registrar of Companies, the details of unclaimed/ unpaid dividend lying with the Company which would be transferred to the IEPF after a period of seven years of its declaration and to display the details on the website of the Company. Accordingly, the details of unclaimed/ unpaid dividend were filed and were required to be displayed on the website of the Company.

The Company has not declared dividend on its equity shares after financial year 2001- 02. The Current Board of Directors unable to furnish details due to non-availability of records made available by RP.

**Declaration on Compliance with the Code of Conduct**

The Code of conduct for Directors and Senior Managers not applicable to the company for the financial Year 2023-24. Format of certificate is given in next page.

**Address of Registered Office for Correspondence:**
The Company Secretary
Melstar Information Technologies Limited
Unit No. 1302, 13th Floor, Raheja Centre,
The Free Press Journal Marg, Nariman Point,
Mumbai, Maharashtra, India, 400021
Telephone No.: +91-93210 3006
E-mail: cs@melstarrtech.com

**Outstanding GDRs / ADRs, etc.:** The Company has not issued any GDRs or ADRs or any other convertible instruments.

**Commodity price risks or foreign exchange risk and hedging activities:**
The Company does not have any exposure to commodity price risks. However, the foreign exchange exposure and the interest rate risk have not been hedged by any derivative instrument or otherwise.

**Plant Locations:**
The Company yet to start business in aviation sector and as such has no plant.

**DECLARATION ON ADHERENCE TO THE CODE OF CONDUCT**

**To,**
**The Members of Melstar Information Technologies Limited**

I hereby confirm that pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained from all the members of the current Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2024.

**For and on behalf of the Board of Directors**

**Sd/-**

**Vineet Govardhan Shah**
**Managing Director & CFO**
**DIN: 01761772**

**Place: Mumbai**
**Date: November 14, 2024**

**CEO AND CFO CERTIFICATION**

**To,**
The Board of Directors ('Board')
**Melstar Information Technologies Limited**
Unit No. 1302, 13th Floor, Raheja Centre,
The Free Press Journal Marg, Nariman Point,
Mumbai, Maharashtra, India, 400021

1) I have reviewed financial statements and the cash flow statement of Melstar Information Technologies Limited ("the Company") for the year ended March 31, 2024 and to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. 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.

2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

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

4) I have indicated to the Auditors and the Audit Committee:

   i. there are no significant changes in internal controls over financial reporting during the year;
   ii. there are no significant changes in accounting policies during the year; and
   iii. there are no instances of significant fraud of which we have become aware.

**For and on behalf of the Board of Directors**

**Sd/-**

**Vineet Govardhan Shah**
**Managing Director & CFO**
**DIN: 01761772**

**Place: Mumbai**
**Date : November 14, 2024**

**Certificate of Non-Disqualification of Directors**

*[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,

**The Members of Melstar Information Technologies Limited**

Unit No. 1302, 13th Floor, Raheja Centre,
The Free Press Journal Marg, Nariman Point,
Mumbai, Maharashtra, India, 400021

Dear Sir/Madam,

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to MELSTAR INFORMATION TECHNOLOGIES LIMITED bearing CIN: L99999MH1986PLC040604, having registered office at Unit No. 1302, 13th Floor, Raheja Centre, The Free Press Journal Marg, Nariman Point, Nariman Point, Mumbai, Mumbai, Maharashtra, India, 400021 (hereinafter referred to as "the Company") for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and based on the following:

i. Documents available on the website of the Ministry of Corporate Affairs;
ii. Verification of Directors Identification Number (DIN) status on the website of the Ministry of Corporate Affairs;
iii. Disclosures provided by the Directors (as enlisted in Table A) to the Company; and
iv. Debarment list of BSE Limited and National Stock Exchange of India Limited

We hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on March 31, 2024.

**Table A**

| Sr. No | Name of Directors | Directors Identification Number (DIN) | Date of Appointment in Company | Cessation |
|---|---|---|---|---|
| 1. | Mr. Anant Satish Pathak | 05338978 | 13/08/2019 | 04/07/2024 |
| 2. | Mr. Sirish Kumar Sahoo | 08052666 | 01/04/2019 | 03/07/2024 |
| 3. | Mr. Pramod Shivaji Bhosale | 08669615 | 23/01/2020 | 04/07/2024 |
| 4. | Ms. Shireen Mohd Haneef Khan | 08669626 | 23/01/2020 | 04/07/2024 |

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

For **S. Talwar & Associates**

*Company Secretaries*

Sd/-

**Mr. Saurabh Talwar**
ACS: 36045
CP: 13338
PR: 2836/2022

Place: New Delhi
Date: September 30, 2024

**Certificate on Corporate Governance by Practicing Company Secretary**

**To,**
**The Members of**
**Melstar Information Technologies Limited**
Unit No. 1302, 13th Floor, Raheja Centre,
The Free Press Journal Marg, Nariman Point,
Mumbai, Maharashtra, India, 400021

We have examined the compliance of conditions of Corporate Governance by Melstar Information Technologies ("the Company") Limited for the year ended on 31st March 2024 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations, 2015") as referred to in Regulations 15(2) of the SEBI Listing Regulations, 2015 for the period from April 01, 2023 to March 31, 2024.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 except *qualifications mentioned in Secretarial auditor report for the year ended on 31st March 2024.*

We further state that such compliance is neither an assurance as to the future viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **S. Talwar & Associates**
*Company Secretaries*

Sd/-

**Mr. Saurabh Talwar**
ACS: 36045
CP: 13338
PR: 2836/2022

Place: New Delhi
Date: September 30, 2024

**INDEPENDENT AUDITOR'S REPORT**

To the Members of MELSTAR INFORMATION TECHNOLOGIES LIMITED

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

**Qualified Opinion**

We have audited the standalone financial statements of MELSTAR INFORMATION TECHNOLOGIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, Statement of changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit, changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

1. With reference to Note No 27 (l) regarding the balance of Trade Payables, Trade Receivables, Loans, Advances, current liabilities, borrowing from others etc. being not confirmed by the parties due to pending reconciliation the management has not sent direct confirmations to parties and hence our inability to state whether these balances are recoverable /payable to the extent stated.

2. The company has accumulated losses exceeding the share capital and reserves and its net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the standalone financial results of the Company have been prepared on a going concern basis because of the reasons stated in the Note No. 27 (j) to the standalone financial results.

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

**Emphasis of Matter**

We draw attention to Note No. 27 (i) regarding an application for initiation of corporate insolvency resolution process of Melstar Information Technologies Limited was admitted by the Hon ble National

Company Law Tribunal, Mumbai vide order dated October 1, 2019, under the Insolvency and Bankruptcy Code, 2016 (IBC) and hence currently, the Company is under corporate insolvency resolution process (CIRP).
Our opinion is not modified in respect of these matters.

**Key Audit Matters**

Key Audit Matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters ("KAM") to be communicated in our report.

| **Key Audit Matter** | **Auditor's Response** |
|---|---|
| Allowance for credit losses<br>The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the geographical location where it operates.<br><br>In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.<br>We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses. | Our audit procedures related to the allowance for credit losses for trade receivables included the following, among others:<br>We tested the effectiveness of controls over the<br>• development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions<br>• completeness and accuracy of information used in the estimation of probability of default and<br>• Computation of the allowance for credit losses.<br>For a sample of customers:<br>We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information.<br>We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. |
| **Investment impairment assessment**<br>The Company has investments in subsidiaries. These investments are accounted for at cost less impairment. If an impairment exists, the recoverable amounts of the above investment are estimated in order to determine the extent of the impairment loss, if any.<br><br>Determination of triggers for impairment in value of these investments and recoverable amount involves significant estimates and judgements. | Evaluation of impairment risk and assessing whether triggers exist for any investment based on consideration of external and internal factors affecting the value and performance of the investment.<br><br>Our audit procedures included:<br>• Obtained management assessment of recoverable amount for investments where impairment risk is identified.<br>• Evaluated the mathematical accuracy of the cash flow |

| | |
|---|---|
| | projection and assessed the underlying key assumptions in management's valuation models used to determine recoverable amount considering external data, including assumptions of projected EBITDA, revenue growth rate, terminal growth rates, discount rates, and assessed the sensitivity of the assumptions on the impairment assessment and assessed the forecasts against the historical performance<br>Assessed the appropriateness of the related disclosures in the standalone financial statements. |

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

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board report but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other identified as above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation

of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

**Report on Other Legal and Regulatory Requirements**

**1.** As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure 1"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**2.** As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of ourknowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 2"**.

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

i. The Company do not have any pending litigation as on as on 31st March 2024.

ii. The Company did not have any long-term contracts outstanding as on 31st March 2024 for which there were any material foreseeable losses.

iii. The Company is not required to transfer funds to the Investors Education and Protection Fund.

a. The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate), have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate), other than in the normal course of business, have been received by the company from any person or entity, including foreign entities ('Funding Parties') with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

c. Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

iv. No Dividend has been declared or paid during the year by the Company.

v. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the

same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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

**Place: Mumbai**
**Date: 14.08.2024**

**For C K S P AND CO LLP**
**Chartered Accountants**
**FRN. 131228W/W100044**

**Dhananajay Jaiswal**
**Partner**
**M. No. 187686**
**UDIN: 24187686BKBXNQ1791**

**ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT**

**Annexure referred to in Independent Auditors' Report of even date to the members of MELSTAR INFORMATION TECHNOLOGIES LIMITED on the standalone financial statements for the year ended March 31, 2024.**

1. Fixed Assets
   a. Maintenance of Records
      The Company does not have fixed assets as on the reporting date.
   b. Physical verification
      The Company does not have fixed assets as on the reporting date.
   c. Title Deeds
      According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not hold any property and hence this clause is not applicable.

2. The Company is in the business of rendering services and consequently does not have any inventories during the year. Consequently, clause 3(ii) of the order is not applicable to the company.

3.The company has granted interest free loan of Rs. 178.55 lakhs to Birla Power Solution covered in register maintained under section 189 of the companies Act 2013. No recoveries have been made and company has provided for Rs. 178.55 lakhs as doubtful recoveries.

4.In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.

5.In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules made thereunder with regard to the deposits accepted from the public. According to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company in respect of the aforesaid deposits.

6.According to the information and explanations given to us, the central government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act 2013.

7.
a. The company is generally in depositing undisputed statutory dues including Provident Fund, Employee's state insurance, Income tax, Goods and Service Tax, Value added tax, Cess and other material statutory dues applicable to it with the appropriate authorities. Details of outstanding undisputed statutory dues at the year end and outstanding for more than six months are as under.

(Amount in Lakhs)

| Particulars | Dues as on March 31, 2024 | Outstanding for more than 6 months as on March 31, 2024 |
|---|---|---|
| NIL | | |

b. The details of dues of statutory dues which have not been deposited on account of any dispute are given in the Annexure to this report.

| Name of the statute | Nature of Dues | Amount (Rs in Lakhs) | Period | Forum where dispute is pending |
|---|---|---|---|---|
| | | | | |

8.The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

9.In our opinion and according to the information and explanations given to us the company has not raised any funds from any entity and hence clause (ix)(a) to (ix)(f) of the paragraph 3 of the Order is not applicable to the Company.

10.A) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Accordingly, Clause (x) (a) of Order is not applicable.

B) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause (x) (b) of Order is not applicable.

11.A) Based on the audit procedures performed for the purpose of reporting true and fair view of financial statements and as per information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

B) Since no fraud has been reported during the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by us as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

C) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not received any whistle-blower complaints, during the year.

12.The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a),(b) and (c) of the Order is not applicable to the Company.

13.According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of The Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Ind AS.

14.According to the information and explanations given to us by the Company, the company is not required to appoint an internal auditor. Accordingly, clause (xiv) of the order is not applicable to the Company

15.In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

16.According to the information and explanations given to us and based on our examination of the records of the Company,
a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.

b) The Company has not conducted any Non-Banking financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

d) There is no Core Investment Company as a part of the Group. Hence, the requirement to report under clause 3(xvi) of the Order is not applicable to the Company

17.The Company has incurred cash losses in the current year and in the immediately preceding financial year.

18.There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

19.On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. There are no unspent amounts as on 31 March, 2024 that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 38 to the financial statements.

**Place: Mumbai**
**Date: 14.08.2024**

**For C K S P AND CO LLP**
**Chartered Accountants**
**FRN. 131228W/W100044**

**Dhananajay Jaiswal**
**Partner**
**M. No. 187686**
**UDIN:187686BKBXNQ1791241876**

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

**Annexure Referred to in Independent Auditors' Report on the Standalone Financial Statements of Even date to the members of MELSTAR INFORMATION TECHNOLOGIES LIMITED for the year ended March 31, 2024.**

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

We have audited the internal financial controls over financial reporting of MELSTAR INFORMATION TECHNOLOGIES LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**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 March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Mumbai**
**Date: 14.08.2024**

**For C K S P AND CO LLP**
**Chartered Accountants**
**FRN. 131228W/W100044**

**Dhananajay Jaiswal**
**Partner**
**M. No. 187686**
**UDIN:4187686BKBXNQ1791**

**MELSTAR INFORMATION TECHNOLOGIES LIMITED**
**Balance Sheet as at March 31, 2024**

**(Rs. in Lakhs)**

| Sr. No | PARTICULARS | Note No. | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|---|---|
| | | | | |
| | **ASSETS** | | | |
| 1 | **Non-current assets** | | | |
| | Property, plant and equipment | 4 | 0.00 | 0.00 |
| | Intangible Assets | 4 | 0.00 | 0.00 |
| | Intangible Assets under development | 4 | 0.00 | 0.00 |
| | Investments | 5 | 0.00 | 0.00 |
| | Other non-current assets | 6 | 0.00 | 22.36 |
| | **Total Non-Current Assets** | | **0.00** | **22.36** |
| 2 | **Current assets** | | | |
| | **Financial assets** | | | |
| | i.Trade receivable | 7 | 144.47 | 171.06 |
| | ii.Cash and cash equivalents | 8 | 31.79 | 9.91 |
| | iii.Loans & Deposits | 9 | 822.38 | 565.32 |
| | Current Tax Assets (Net) | 10 | 0.00 | 93.17 |
| | Other current assets | 11 | 0.00 | 0.00 |
| | **Total Current Assets** | | **998.64** | **839.46** |
| | | | | |
| | **Total Assets (1+2)** | | **998.64** | **861.82** |
| | **EQUITY AND LIABILITIES** | | | |
| 1 | **Equity** | | | |
| | Equity share capital | 12 | 1,428.31 | 1,428.31 |
| | Share Application money pending allotment | | 49.55 | 16.00 |
| | Other equity | 13 | -869.95 | -1,997.88 |
| | **Total Equity** | | **607.91** | **-553.57** |
| | **LIABILITIES** | | | |
| 2 | **Non-current liabilities** | | | |
| | **Financial Liabilities** | | | |
| | i. Borrowings | 14 | - | - |
| | ii. Other Financial Liabilities | | - | - |
| | Provisions | 15 | 0.00 | 0.00 |
| | Right of Use Lease Liabilities | | 0.00 | 0.00 |
| | **Total Non-Current Liabilities** | | **0.00** | **0.00** |
| 3 | **Current liabilities** | | | |
| | Financial liabilities | | | |
| | i. Borrowings | 16 | 288.44 | 297.00 |
| | ii. Trade payables | | | |
| | a. Total outstanding dues of micro enterprises and small enterprises | | - | - |
| | b. Total outstanding dues of creditors other than micro enterprises and small enterprises | 17 | 78.37 | 630.61 |
| | iii. Other financial liabilities | 18 | - | - |
| | Provisions | 19 | 0.00 | 43.30 |
| | Other current liabilities | 20 | 23.90 | 444.48 |
| | **Total Current Liabilities** | | **390.71** | **1,415.39** |
| | | | | |
| | **Total Equity and Liabilities (1+2+3)** | | **998.64** | **861.82** |
| | **Significant accounting policies** | **1 to 3** | | |
| | **The accompanying notes are an integral part of the financial stateme** | **1 to 27** | | |
| | | | - | - |

**In terms of our report attached**

**For C K S P AND CO LLP**
**Chartered Accountants**
**FRN. 131228W/W100044**

**Dhananajay Jaiswal**
**Partner**
**Membership No. 187686**
**Place : Mumbai**
**Date : 14.08.2024**

**For and on behalf of MELSTAR INFORMATION TECHNOLOGIES LIMITED**

**Vineet Govardhan Prasad Shah**
**Managing Director**
**DIN : 01761772**

**Neehal Mahamulal Pathan**
**Resolution Profe**
**Reg. No.IBBI/IPA-001/IP-P/01561/2018-19/12406**

**Alyzaa Merchant**
**Director**
**DIN: 07164228**

**Meenakshi Ramandasani**
**Company Secretary**
**Membership No. A47336**

**MELSTAR INFORMATION TECHNOLOGIES LIMITED**

**Statement of Profit and Loss for the year ended 31st March, 2024**

**(Rs. in Lakhs)**

| Sr.no | PARTICULARS | | Year ended Mar 31,2024 | Year ended Mar 31,2023 |
|---|---|---|---|---|
| **1** | **Revenue from operations** | 21 | 0.00 | 0.00 |
| **2** | **Other income** | 22 | 1,214.23 | 0.00 |
| **3** | **Total revenue (1+2)** | | **1,214.23** | **0.00** |
| **4** | **Expenses** | | | |
| a | Employee benefit expense | 23 | - | - |
| b | Finance costs | 24 | 32.42 | - |
| c | Depreciation and amortization expenses | 4 | - | - |
| d | Other expenses | 25 | 53.88 | 1.02 |
| | **Total expenses (a+h)** | | **86.30** | **1.02** |
| **5** | **Profit before tax (3-4)** | | **1,127.93** | **-1.02** |
| **6** | **Tax expense:** | | | |
| | Current tax | | 0.00 | 0.00 |
| | (-) MAT Credit entitlement | | 0.00 | 0.00 |
| | Deferred tax | | 0.00 | 0.00 |
| | Excess/Short Provision for tax | | 0.00 | 0.00 |
| | **Total tax expense** | | **0.00** | **0.00** |
| **7** | **Profit/(Loss) for the year (5-6)** | | **1,127.93** | **-1.02** |
| **8** | **Other comprehensive income** | | | |
| | Items that will not be reclassified to profit or loss | | | |
| | i. Remeasurement of the defined benefit plans; | | 0.00 | 0.00 |
| | ii. Income tax relating to items that will not be reclassified to profit or loss | | 0.00 | 0.00 |
| | **Total other comprehensive income for the year (net of tax) (i+ii)** | | 0.00 | 0.00 |
| **9** | **Total Comprehensive Income for the year (7+8)** | | **1,127.93** | **-1.02** |
| **10** | **Paid-up Equity Share Capital (In Lakhs)** | | 1,428.31 | 1,428.31 |
| | Face value of share (Rs.) | | 10.0 | 10.0 |
| **12** | **Earnings per equity share (EPS) :** | **26** | | |
| | Basic and Diluted EPS (Rs.) | | 7.90 | -0.01 |

**In terms of our report attached**

**For C K S P AND CO LLP**
**Chartered Accountants**
**FRN. 131228W/W100044**

**Dhananajay Jaiswal**
**Partner**
**Membership No. 187686**

**For and on behalf of MELSTAR INFORMATION TECHNOLOGIES LIMI**

**Vineet Govardhan Prasad Shah**
**Managing Director**
**DIN : 01761772**

**Alyzaa Merchant**
**Director**
**DIN: 07164228**

**Neehal Mahamulal Pathan**
**Resolution Professional**
**Reg. No.IBBI/IPA-001/IP-P/01561/2018-19/12406**

**Meenakshi Ramandasani**
**Company Secretary**
**Membership No A47336**

Place : Mumbai
Date : 14.08.2024

**MELSTAR INFORMATION TECHNOLOGIES LIMITED**
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024**

**(Rs in Lakhs)**

| Sr. No. | | For the year ended Mar 31, 2024 | | For the year ended Mar 31, 2023 | |
|---|---|---|---|---|---|
| **A.** | **CASH FLOW FROM OPERATING ACTIVITIES:** | | | | |
| | Net profit before exceptional item, taxation and prior period adjustments (Including discontinue operation) | | 1,127.93 | | (1.02) |
| | Adjustments for: | | | | |
| | Sundry Creditors Written Back | (1,214.23) | | - | |
| | Depreciation and Amortization | - | | - | |
| | Provision for Investment Diminution | - | | - | |
| | Fixed Assets written off | - | | - | |
| | Interest Expense | 32.42 | | - | |
| | Sub-total | | (1,181.81) | | - |
| | **Operating Profit Before Working Capital Changes** | | **(53.88)** | | **(1.02)** |
| | **Adjustments for changes in working capital :** | | | | |
| | Trade Receivables | - | | - | |
| | Loans & Deposits | 55.30 | | - | |
| | Other Current Assets | - | | - | |
| | Other Non Current Assets | - | | - | |
| | Trade Payables | 52.88 | | (11.46) | |
| | Short Term Provisions | - | | - | |
| | Long Term Provisions | - | | - | |
| | Other Financial Liabilities | - | | - | |
| | Short Term Borrowings | - | | - | |
| | Other Current Liabilities | - | | - | |
| | Provisions In Non -Current Liabilities | - | | - | |
| | Sub-total | | 108.18 | | (11.46) |
| | **Cash Flow From Operating Activities After Exceptional Item** | | **54.30** | | **(12.48)** |
| | **Income tax paid (net of refund)** | | | | |
| | Direct Taxes Paid/reversal (Net of Refund) | - | | - | |
| | | | - | | - |
| | **Net Cash Flow From Operating Activities After Exceptional Item.....(A)** | | **54.30** | | **(12.48)** |
| **B.** | **CASH FLOW FROM INVESTING ACTIVITIES:** | | | | |
| | (Additions)/Sale of fixed assets | - | | - | |
| | Fixed Assets written off | - | | - | |
| | Provision for Investment Diminution | - | | - | |
| | Sub-total | | - | | - |
| | **Net Cash used for Investing Activities..... (B)** | | **-** | | **-** |
| **C.** | **CASH FLOW FROM FINANCING ACTIVITIES:** | | | | |
| | Repayment of Borrowings | - | | - | |
| | Interest Paid | (32.42) | | - | |
| | Share Application Money Pending Allotments | - | | - | |
| | Sub-total | | (32.42) | | - |
| | **Net Cash used for Financing Activities.....(C)** | | **(32.42)** | | **-** |
| | **Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)** | | **21.88** | | **(12.48)** |
| | **Cash and Cash Equivalents at the beginning of the period** | **9.91** | | **22.39** | |
| | **Cash and Cash Equivalents at the end of period** | **31.79** | | **9.91** | |
| | | | **21.88** | | **12.48** |

-

**The accompanying notes are an integral part of these financial statemnts.**

As Per Our Attached Report of Even Date

**For and on behalf of MELSTAR INFORMATION TECHNOLOGIES LIMITED**

**For C K S P AND CO LLP**
Chartered Accountants
FRN. 131228W/W100044

**Dhananajay Jaiswal**
**Partner**
**Membership No. 187686**

**Vineet Govardhan Prasad Shah**
**Managing Director**
**DIN : 01761772**

**Alyzaa Merchant**
**Director**
**DIN: 07164228**

**Neehal Mahamulal Pathan**
**Resolution Professional**
**Reg. No.IBBI/IPA-001/IP-P/01561/2018-19/12406**

**Meenakshi Ramandasani**
**Company Secretary**
**Membership No. A47336**

Place: Mumbai
Date: 14.08.2024

**Notes to financial statements for the period ended 31st March, 2024**

**Note 4: FIXED ASSETS**

(Rs. In Lakhs)

| Particulars | Gross Block | | | | | Accumulated Depreciation/Amortisation | | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 1st April 2023 | Additions | (Disposals) | other Adjustment | Balance as at 31st March 2024 | Balance as at 1st April 2023 | Depreciation charge for the year | On disposals | other Adjustment | Balance as at 31st March 2024 | Balance as at 31st March 2023 | Balance as at 31st March 2024 |
| **Tangible Assets** | - | | | | | | | | | | | |
| | - | | | | | | | | | | | |
| Leasehold Land | 0.00 | - | - | - | - | - | - | - | - | - | - | - |
| | 0.00 | - | - | - | 0.00 | 0.00 | 0.00 | - | - | - | 0.00 | 0.00 |
| | | | | | | | | | | | | |
| Buildings | 0.00 | - | 0 | - | - | - | - | - | - | - | - | - |
| | 0.00 | - | - | - | 0.00 | 0.00 | 0.00 | - | - | - | 0.00 | 0.00 |
| | | - | - | | | | - | | | | | |
| Plant and Equipment | 95.90 | - | 0 | - | 95.90 | 95.90 | - | - | - | 95.90 | - | - |
| | | - | - | | | | | | | | | |
| Furniture and Fixtures | 24.39 | - | - | - | 24.39 | 24.39 | - | - | - | 24.39 | - | - |
| | | - | - | | | | - | - | | | | |
| Vehicles | 0.00 | - | - | - | - | - | - | - | - | - | - | - |
| | | - | | | | | - | | | | | |
| 87 | 0.00 | | | | | - | - | | | | | |
| **Total** | **120.29** | **0.00** | **0.00** | **-** | **120.29** | **120.29** | **0.00** | **0.00** | **0.00** | **120.29** | **0.00** | **0.00** |
| **Previous Year** | **120.29** | **0.00** | **0.00** | **-** | **120.29** | **120.29** | **0.00** | **0.00** | **-** | **120.29** | **0.00** | **0.00** |
| **Intangible Assets** | | | | | | | | | | | | |
| Computer software | 17.57 | - | - | - | 17.57 | 17.57 | - | - | - | 17.57 | - | - |
| **Total** | **17.57** | **-** | **-** | **-** | **17.57** | **17.57** | **-** | **-** | **-** | **17.57** | **-** | **-** |
| **Previous Year** | **17.57** | **-** | **-** | **-** | **17.57** | **17.57** | **0.00** | **-** | **-** | **17.57** | **0.00** | **0.00** |
| **Intangible Assets under development** | | | | | | | | | | | | |
| WIP | 0.00 | - | - | - | - | - | - | - | - | - | - | - |
| | 0.00 | 0.00 | - | - | 0.00 | - | - | - | - | - | 0.00 | 0.00 |
| **Total** | **0.00** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Previous Year** | **-** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** |
| | | | | | | | | | | | | |
| **Total** | **137.86** | **-** | **-** | **-** | **137.86** | **137.86** | **-** | **-** | **-** | **137.86** | **-** | **-** |
| **Previous Year** | **137.86** | **0.00** | **0.00** | **0.00** | **137.86** | **137.86** | **0.00** | **0.00** | **0.00** | **137.86** | **0.00** | **0.00** |

**Note:**

* Amount Written off in respect of Leasehold land for the period of lease which has expired. 15.34 -

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP as the deemed cost of the property, plant and equipment (refer note 2(b)v of Significant accounting policy).

Figures shown in brackets are in respect of Previous period

**5. NON CURRENT INVESTMENTS**

| PARTICULARS | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| **Unquoted - (At cost or carrying amount unless otherwise stated)** | | |
| **Investments in Equity Instruments of Wholly Owned Subsidiary Companies** | | |
| i)45,940 (Previous year 45,940) shares (common stock) of US$ 25/- each of Melstar Inc. (USA) | 646.48 | 646.48 |
| Less: Provision for diminution, provided as at 31st March, 2006 | -646.48 | -646.48 |
| | - | - |
| ii)150,000 (Previous year 150,000) shares of Sterling Pound 1/- each of Melstar UK Limited (UK) | 97.91 | 97.91 |
| Less: Provision for diminution, provided as at 31st March, 2006 | -97.91 | -97.91 |
| | - | - |
| iii)958,992 (Previous year 958,992) shares of Sterling Pound 1/- each of Melstar Limited (UK) | 942.46 | 942.46 |
| Less: Provision for diminution, provided as at 31st March, 2006 | -942.46 | -942.46 |
| | - | - |
| iv)1,700,000 (Previous year 1,700,000 ) shares of SGD 1/- each of Melstar Singapore Pte Ltd | 459.90 | 459.90 |
| Less: Provision for diminution, provided as at 31st March, 2006 | -459.90 | -459.90 |
| **Non Trade Investment** | - | - |
| i) 350,000 (Previous year 350,000) Equity Shares of Rs.10/- each of Birla Kerala Vaidyashala Pvt. Ltd | 35.00 | 35.00 |
| Less: Provision for diminution, provided as at 31st March, 2019 | -35.00 | -35.00 |
| | - | - |
| ii))114,000 (Previous year 600,000) shares of Rs.10/- each of IDV Technology Solutions Pvt. Ltd. | 11.40 | 11.40 |
| | -11.40 | -11.40 |
| iii))17935296 shares of Rs.1/- each of Birla Cotsyn India Ltd. | 14.35 | 14.35 |
| | -14.35 | -14.35 |
| **TOTAL** | - | - |
| Note: | | |
| Aggregate of Unquoted Investments Cost/ carrying amount | 2,196.10 | 2,196.10 |
| Aggregate provision for diminution in value of investments | (2196.10) | (2196.10) |

The company considering the erosion/substantial erosion in the net worth of its wholly owned subsideries located at U.S.A, UK and Singapore, had made a provision for diminution in the value of investments in the said subsideries aggregating to Rs.2146.75 Lakhs (PY-2146.75 Lakhs)

**6. Other non- current assets**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| **Non-current** | | |
| IT Refund Receivable | - | 22.36 |
| Miscellaneous Deposits | - | 13.93 |
| Less: Provision made for Misc Deposits | - | -13.93 |
| Fringe Benefit Tax | - | - |
| **Total** | **-** | **22.36** |

**Current financial assets -**

**7. Trade Receivables**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| **Trade Receivables** | | |
| Trade Receivables outstanding for a period exceeding six months from the date they were due for a payment | | |
| -Unsecured, considered good | | |
| -Unsecured, considered doubtful | 526.94 | 526.94 |
| Less: Allowance for doubtful debts (expected credit loss allowance) | -526.94 | -526.94 |
| | - | - |
| Trade Receivables outstanding for a period less than six months from the date they were due for a payment | | |
| -Unsecured, considered good | 144.47 | 171.06 |
| -Unsecured, considered doubtful | - | - |
| Less: Allowance for doubtful debts (expected credit loss allowance) | | |
| | 144.47 | 171.06 |
| | | |
| **Total** | **144.47** | **171.06** |

1. Trade receivables are dues in respect of services rendered in the normal course of business.
2. The Normal credit period allowed by the company ranges from 0 to 60 days.
3. There are no dues by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.
4 There is no credit loss expected out of current debtors.

**8 Cash and Cash Equivalents**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| **Current** | | |
| (a) Cash on hand | - | 3.88 |
| | - | - |
| **Balance with Banks** | - | - |
| **Owned fund** | - | - |
| - In Current Accounts | 31.79 | 6.03 |
| **Cash and cash equivalents as per balance sheet** | **31.79** | **9.91** |
| | | |

**9. Loans & Deposits**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| (i) **Loan given** | | |
| Unsecured, considered good | | |
| Related Party | - | 71.25 |
| (ii) **Loan given to subsidiary companies** | | |
| Unsecured, considered doubtful | 1,143.06 | 1,143.06 |
| Less: Provision for doubtful | -1,143.06 | -1,143.06 |
| | - | - |
| (iii) **Inter Corporate Deposits** | | |
| Unsecured, considered good | - | - |
| Unsecured, considered doubtful | 178.55 | 178.55 |
| Less: Provision for doubtful | -178.55 | -178.55 |
| Advances to be recoverable in cash or kind or for value to be received (Unsecured, considered good) | 519.58 | 130.74 |
| Recoverable from sale of property | 302.80 | 363.33 |
| | 822.38 | 494.07 |
| **Total** | **822.38** | **565.32** |

**10. Current tax assets**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Tax Deducted at Source | - | 93.17 |
| **Total** | **-** | **93.17** |

**(a) Income tax expenses**

(i) Profit or loss section

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Current tax expense | | |
| Deferred tax | | |
| **Total income tax expense recognised in Statement of Profit & Loss** | **-** | **-** |

(ii) Other comprehensive section

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Remeasurements of the defined benefit plans; | - | - |
| **Total income tax expense recognised in Other Comprehensive Income** | - | - |

**(b) Reconciliation of effective tax rate**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Profit Before Tax | - | - |
| Tax Using Companies Domestic Tax rate-34.608% (31, March 2017-34.608%) | - | - |
| Tax effect of: | | |
| Income Tax not liable to Tax | - | - |
| Adjustement in Current Tax of Previous year | - | - |
| MAT credit entitlement written back | - | - |
| Others | - | - |
| Income tax expenses | - | - |

**11. Other current assets**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| (i) Unbilled Revenue | - | - |
| **Total** | **-** | **-** |

**12. Equity Share Capital**

| | As at Mar 31, 2024 | | As at Mar 31, 2023 | |
|---|---|---|---|---|
| **Equity Share Capital** | | | | |
| **Authorised share capital:** | | | | |
| Equity Shares of Rs.10/- each | 5,49,50,000 | 5,495.00 | 5,49,50,000 | 5,495.00 |
| Preference Shares of Rs.10/- each | 50,000 | 5.00 | 50,000 | 5.00 |
| | **5,50,00,000** | **5,500.00** | **5,50,00,000** | **5,500.00** |
| **Issued, Subscribed & Paid-up share capital:** | | | | |
| Equity Shares of Rs.10/- each, fully paid up | 1,42,83,139 | 1,428.31 | 1,42,83,139 | 1,428.31 |
| **Total** | **1,42,83,139** | **1,428.31** | **1,42,83,139** | **1,428.31** |

**Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period**

| Particular | Year ended 31, Mar 2024 | | Year ended 31, Mar 2023 | |
|---|---|---|---|---|
| | Number of shares | Amount (Rs. in Lakhs) | Number of shares | Amount (Rs. in Lakhs) |
| Shares outstanding at the beginning of the year | **1,42,83,139** | **1,428** | **1,42,83,139** | **1,428** |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | **1,42,83,139** | **1,428** | **1,42,83,139** | **1,428** |

**Details of shareholders holding more than 5% of Share Capital in the Company**

| Particular | Year ended 31, Mar 2024 | | Year ended 31, Mar 2023 | |
|---|---|---|---|---|
| | Number of shares | % of Shareholding | Number of shares | % of Shareholding |
| Shearson Investment & Trading Co. Pvt. Ltd. | 21,01,908 | 14.72 | 21,01,908 | 14.72 |
| Godavari Corporation Pvt. Ltd. | 17,47,533 | 12.20 | 17,47,533 | 12.20 |
| Nirved Traders Private Limited | 22,28,249 | 15.60 | 22,28,249 | 15.60 |

**Terms /Rights 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.**

**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.**

**13. Other equity**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Capital Reserve | 1.74 | 1.74 |
| Capital Redemption Reserve | 0.20 | 0.20 |
| Foreign Currency Translation Reserve | 5.74 | 5.74 |
| Retained earnings | (877.63) | (2,005.56) |
| **Total** | **(869.95)** | **(1,997.88)** |

**13.1 Capital Reserve**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Opening Balance | 1.74 | 1.74 |
| Movement during the year | | |
| Closing balance | **1.74** | **1.74** |

**13.2 Capital Redemption reserve**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Opening Balance | 0.20 | 0.20 |
| Movement during the year | | |
| Closing balance | **0.20** | **0.20** |

**13.3 Foreign Currency Translation Reserve**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Opening Balance | 5.74 | 5.74 |
| Movement during the year | | |
| Closing balance | **5.74** | **5.74** |

**13.4 Retained earnings**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Opening Balance | (2,005.56) | (2,004.54) |
| Transition impact on implementation of Ind AS 116 | - | - |
| Total Comprehensive Income during the year | 1,127.93 | -1.02 |
| **Amount available for appropriation** | **(877.63)** | **(2,005.56)** |
| Appropriations | | |
| - Dividend (including tax on dividend) | | |
| - Amortization of Loan(Net of Deferred Tax) | | |
| - Revaluation of Investment(Net of Deferred Tax) | | |
| **Closing balance** | **(877.63)** | **(2,005.56)** |

**In terms of our report attached**

**For C K S P AND CO LLP**
**Chartered Accountants**
**FRN. 131228W/W100044**

**Dhananajay Jaiswal**
**Partner**
**Membership No. 187686**
Place : Mumbai
**Date : 14.08.2024**

**For and on behalf of MELSTAR INFORMATION TECHNOLOGIES LIMITED**

**Vineet Govardhan Prasad Shah**
**Managing Director**
**DIN : 01761772**

**Alyzaa Merchant**
**Director**
**DIN: 07164228**

**Neehal Mahamulal Pathan**
**Resolution Professional**
**Reg. No.IBBI/IPA-001/IP-P/01561/2018-19/12406**

**Meenakshi Ramandasani**
**Company Secretary**
**Membership No. A47336**

**14. Borrowings**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| **Term Loan from Banks** | | |
| Secured | | |
| Vehicle loan from Bank | - | - |
| (-) Short term maturity | - | - |
| **Total** | **-** | **-** |

**15. Provisions**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| **Non Current** | | |
| **(a) Provision for employee benefits** | | |
| Gratuity(unfunded) | - | - |
| Compensated absences(unfunded) | - | - |
| **(b) Other Provision** | | |
| Provision for Tax AY 2012-13 | - | - |
| **Total** | **0.00** | **0.00** |

**16. Borrowings**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| (a) Loans repayable on demand<br>From banks<br>-Clean Overdraft Facility<br>-Cash Credit Facility<br>-SBI OD A/C against FD | | |
| (b) Unsecured Loan and advances | 288.44 | 297.00 |
| **Total** | **288.44** | **297.00** |

**During the course of CIRP the Resolution Professional has verified & accepted the liability aggregate to Rs.288.44 lakhs (including Interest).**

**17. Trade Payables**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Trade Payables for Goods & expenses<br>(Unsecured, considered Good) | 78.37 | 630.61 |
| **Total** | **78.37** | **630.61** |

**18. Other financial liabilities**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Current maturities of long term Loan<br>Interest Accrued on loan(accrued but not due) | - | - |
| **Total** | **-** | **-** |

**19. Provisions**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| **Current** | | |
| **(a) Provision for employee benefits** | | |
| Gratuity(unfunded) | - | 14.98 |
| Compensated absences(unfunded) | - | 28.32 |
| **TOTAL** | **-** | **43.30** |

**20. Other current liabilities**

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 |
|---|---|---|
| Statutory Remittances | 23.90 | 444.48 |
| **Total** | **23.90** | **444.48** |

**20.1 As per Resolution plan approved, the liability of Rs. 23.90 Lakhs pertaining to GST, ESIC, Professional Tax and Service Tax upto period ended on 01.10.2019 is to be paid.**

## 21 REVENUE FROM OPERATIONS

| PARTICULARS | For the period ended 31st Mar, 2024 | For the period ended 31st Mar, 2023 |
|---|---|---|
| I T Infrastructure Projects | | |
| Software Products | - | - |
| Software Services | - | - |
| **TOTAL** | **-** | **-** |

## 22 OTHER INCOME

| PARTICULARS | For the period ended 31st Mar, 2024 | For the period ended 31st Mar, 2023 |
|---|---|---|
| Sundry Creditors Written Back | 1,214.23 | - |
| Miscellaneous Income | - | - |
| **TOTAL** | **1,214.23** | **-** |

## 23 EMPLOYEE BENEFITS EXPENSES

| PARTICULARS | For the period ended 31st Mar, 2024 | For the period ended 31st Mar, 2023 |
|---|---|---|
| Salaries and Wages | - | - |
| Contribution to Provident and other Funds | - | - |
| Gratuity | - | - |
| Compensated Absences | - | - |
| Staff Welfare Expenses | - | - |
| Less:- | | |
| Reimbursement of Defined Benefit Plans | - | - |
| **TOTAL** | **-** | **-** |

**24 FINANCE COSTS**

| PARTICULARS | For the period ended 31st Mar, 2024 | For the period ended 31st Mar, 2023 |
|---|---|---|
| **Interest expenses** | | |
| On Fixed Period Loans | - | - |
| Others | 32.42 | - |
| **Other borrowing costs** | - | - |
| **TOTAL** | **32.42** | **-** |

**25 OTHER EXPENSES**

| PARTICULARS | For the period ended 31st Mar, 2024 | For the period ended 31st Mar, 2023 |
|---|---|---|
| Electricity | - | - |
| Rent | - | - |
| Bank Charges | - | 0.02 |
| Office Expenses | 0.04 | - |
| Insurance | - | - |
| Repairs and Maintenance | - | - |
| Travelling and Conveyance | - | - |
| Communication Expenses | - | - |
| Advertising and Sales promotion expenses | - | - |
| Legal and Professional fees | 48.07 | - |
| Registrar and Transfer Fees | 4.77 | - |
| Recruitment Expenses | - | - |
| Fixed Assets written off | - | - |
| Miscellaneous Expenses | - | - |
| **TOTAL** | **52.88** | **0.02** |

**25.1 Details of Payment to Auditors**

| PARTICULARS | For the period ended 31st Mar, 2024 | For the period ended 31st Mar, 2023 |
|---|---|---|
| As Audit Fees | 1.00 | 1.00 |
| **TOTAL** | **1.00** | **1.00** |

**26 Earning Per Share (EPS)**

| PARTICULARS | For the period ended 31st Mar, 2024 | For the period ended 31st Mar, 2023 |
|---|---|---|
| i) Net Profit/(Loss) after tax, before Exceptional Items, attributable to equity shareholders | 1,127.93 | -1.02 |
| Exceptional Item | 0 | 0 |
| ii) Net profit after tax attributable to equity shareholders, after Exceptional Items | 1,127.93 | -1.02 |
| iii) Weighted average number of equity shares considered for calculation of Basic and Diluted Earning Per Share (Nos.) | 1,42,83,139 | 1,42,83,139 |
| iv) Nominal value of equity share | 10.00 | 10.00 |
| v) Basic and Diluted Earnings per share | 7.90 | -0.01 |

**Note 27:- Fair Values**

**27(a) Financial Instruments by category:**

**Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognized in the financial statements.**

**i) Financial Assets at Amortised Cost Method**

The carrying value of the following financial assets recognised at amortised cost:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Non-Current Financial Assets** | | |
| Investments | - | - |
| **Current Financial Assets** | | |
| Trade receivables | 144.47 | 171.06 |
| Cash and Cash Equivalnets | 31.79 | 9.91 |
| Loans & Deposits | 822.38 | 565.32 |
| **Total** | **998.64** | **746.29** |

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

**ii) Financial Liabilities at Amortised Cost Method**

The carrying value of the following financial liabilities recognised at amortised cost:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Non-Current Financial Liabilities** | | |
| Borrowings | - | - |
| **Current Financial Liabilities** | | |
| Borrowings | 288.44 | 297.00 |
| Trade Payable | 95.95 | 630.61 |
| Other Financial Liabilities | - | - |
| **Total** | **384.39** | **927.61** |

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

**Note 27 (b) : Financial Risk Management Objectives and Policies**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

| Risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Credit Risk | Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost. | Aging analysis and Credit ratings | Diversification of bank deposits and credit limits |
| Liquidity Risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities |
| Market Risk - Interest rate | Borrowings at variable rates | Sensitivity analysis | Not used any Interest rate derivatives. |
| Market Risk - Price risk | Equity Instruments | | Company maintains its portfolio in |
| Market Risk - Foreign exchange Risk | Export, Import and Borrowings | | Forward contracts and Currency options |

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

**Trade receivables**

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management. Based on the business environment in which the company operates.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers. The company manages its credit risk through credit approvals,

**Financial instruments and cash deposits**

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds

are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2013 is the carrying amounts as stated in balance sheet. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in the liquidity table below.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk

The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium- term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2024 and March 31, 2023:

| Particulars | Carrying amount | Less than 12 Months | More than 12 Months | TOTAL |
|---|---|---|---|---|
| **Year ended March 31, 2024** | | | | |
| Secured Loans | 0.00 | 0.00 | 0.00 | 0.00 |
| Trade Payables | 95.95 | 95.95 | 0.00 | 95.95 |
| Interest Accured | 0.00 | 0.00 | 0.00 | 0.00 |
| Capital Creditors | 0.00 | 0.00 | 0.00 | 0.00 |
| Others Liabilities | 23.90 | 23.90 | 0.00 | 23.90 |

| | | | | |
|---|---|---|---|---|
| **Year ended March 31, 2023** | | | | |
| Secured Loans | 0.00 | 0.00 | 0.00 | 0.00 |
| Trade Payables | 630.61 | 0.00 | 630.61 | 630.61 |
| Interest Accured | 0.00 | 0.00 | 0.00 | 0.00 |
| Capital Creditors | 0.00 | 0.00 | 0.00 | 0.00 |
| Others Liabilities | 444.48 | 0.00 | 444.48 | 444.48 |

**Market Risk**

Market risk comprises two types of risk: price risk, interest rate risk and currency risk. The risks may affect income and expenses, or the value of its financial instruments of the Company. The objective of the Management of the Company for market risk is to maintain this risk within acceptable

**Price risk**

Equity price risk is related to the change in market price of the investments in quoted equity securities. The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Company.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since, the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is very low. The Company has not used any interest rate derivatives.

The exposure of the Company to interest rate changes at the end of the reporting period are as under:

**Interest rate sensitivity**

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's results arising from the effects of reasonably

possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

**Foreing Exchange Risk**

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. Policy also includes mandatory initial hedging requirements for exposure

There is no Foreign currency exposure for the company as on 31st March 2024.

**Note 27(c) : Capital Management**

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

| Particulars | March 31, 2024 | March 31, 2023 |
|---|---|---|
| **A) Net Debt** | | |
| Borrowings (Current and Non-Current) | 288.44 | 297.00 |
| Cash and cash equivalents | 31.79 | 9.91 |
| **Net Debt (A)** | **256.65** | **287.09** |
| | | |
| **B) Equity** | | |
| Equity share capital | 1,428.31 | 1,428.31 |
| Other Equity | (887.53) | (1997.88) |
| **Total Equity (B)** | **540.78** | **(569.57)** |
| | | |
| **Gearing Ratio (Net Debt / Capital) i.e. (A / B)** | 47.46% | -50.40% |

**Note 27(d) : Contingent Liabilities not Provided for: (a)**

| Particulars | As at March 31, 2024 | As at March 31, 2013 |
|---|---|---|
| Claims against Company not acknowledged as debt and pending before the Courts in Disputed ESIC Liabilities | 0.00 | 0.00 |
| **Total** | **0.00** | **0.00** |

**Note 27(e) : Capital and Other Commitments:**

**(i)** Capital Commitments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Estimated value of Contracts in respect of Property, Plants and Equipments remaining to be Executed (Net of Capital Advances) | 0.00 | 0.00 |
| **Total** | **0.00** | **0.00** |

**(ii)** Other Commitments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Co-Borrower for Loans taken by a Related Party | 0.00 | 0.00 |
| **Total** | **0.00** | **0.00** |

**Note 27(f): Employee Benefits:**

During the year, the provision for Gratuity and Leave Encashment created in earlier years has been written back in the books of accounts.

**Note 27(g) : Operating lease arrangements**

There are no operating lease arrangements as on 31.03.2024.

**Note 27(h) : Expenditure on Corporate Social Responsibility:**

Section 135 of the Companies Act provides the threshold limit for applicability of the CSR to a Company i.e. (a) net worth of the company to be Rs 500 crore or more; (b) turnover of the company to be Rs 1000 crore or more; (c) net profit of the company to be Rs 5 crore or more. Further as per the CSR Rules, the provisions of CSR are not only applicable to Indian companies, but also applicable to branch and project offices of a foreign company in India CSR Committee and Policy: Every qualifying company requires spending of at least 2% of its average net profit for the immediately preceding 3 financial years on CSR activities. Further, the qualifying company will be required to constitute a committee (CSR Committee) of the Board of Directors (Board) consisting of 3 or more directors. The CSR Committee shall formulate and recommend to the Board, a policy which shall indicate the activities to be undertaken (CSR Policy); recommend the amount of expenditure to be incurred on the activities referred and monitor the CSR Policy of the company. The Board shall take into account the recommendations made by the CSR Committee and approve the CSR Policy of the company. The company is not meeting the Threeshold limit specified under companies Act so CSR provision is not applicable

**Note 27(i)**

The National Company Tribunal ("NCLT"), Mumbai Bench, vide order dated 1st October 2019 ("Insolvency Commencement Order") has initiated corporate insolvency resolution process ("CIRP") based on petitions filed by Nityo Infotech Services Private Limited under section 9 of the Insolvency and bankruptcy Code, 2016 ("the code"). Mr. Neehal Pathan IP Registration No.: IBBI/IPA-001/IP-P01561/2018-19/12406 was appointed as interim resolution professional ("IRP") to manage the affairs of the Company in accordance with the provisions of code. In the first meeting of Committee of creditors held on 30th October 2019, Mr. Neehal Pathan had been confirmed as resolution professional ("RP/Resolution Professional") for the Company. Pursuant to the Insolvency Commencement Order and in line with the provisions of the Code, the powers of the Board of Directors were suspended and the same were to be exercised by IRP/RP. By an order dated 16th October, 2020, NCLT has extended the CIRP for a further period of 90 days with effect from 16th October, 2020.

Since the Company is under Corporate Insolvency Resolution Process (CIRP), as per Section 17 of the Insolvency & Bankruptcy Code, from the date of appointment of the Resolution professional.

- The management of the affairs of the company shall vest in the Resolution Professional.
- The powers of the Board of Directors of the company shall stand suspended and be exercised by the Resolution Professional.
- The officers and managers of the Company shall report to the Resolution Professional and provide access to such documents and records of the company as may be required by the Resolution Professional.

The financial institutions maintaining accounts of the company shall act on the instructions of the Resolution Professional in relation to such accounts and furnish all information relating to the company available with them to the Resolution Professional.

Accordingly, the standalone financial statements are continued to be prepared on going concern basis. The Company continues the process for ascertaining the realisable value for its assets (including inventories and trade receivables) and necessary adjustments to the carrying value will be effected in due course, the impact of which is not ascertainable at this stage.

Pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans was determined and accordingly accounting impact in provided the books of accounts in respect of excess, short, or non-receipts of claims for operational and financial creditors.

**Note 27(j) : Going Concern:**

The Company Is incurring a losses which may create uncertainties. However, various Initiatives undertaken by the Company in relation to saving cost, optimize revenue management opportunities and enhance ancillary revenues Is expected to result in improved operating performance. Further, our continued thrust to improve operational efficiency and initiatives to raise funds are expected to result in sustainable cash flows addressing any uncertainties, Accordingly, the statement of financial results continues to be prepared on a going concern basis, which contemplates realization of assets and settlement of liabilities in the normal course of business.

**Note 27(k): Related Party Disclosure: Nil**

**Note 27(l):**
The balance of Trade Payables, Trade Receivables, Loans and Advances, Current Liabilities, Borrowings from others etc. are considered as per books of account. The management has not sent direct confirmations to parties. In the opinion of the management, since the amount due to/ from these parties are fully payable/recoverable, no material difference is expected to arise at the time of settlement, requiring further accounting effect as on 31/03/2024.

**Note 27(m): Previous year regrouping:**
Previous year's figures have been regrouped / reclassed, where necessary, to confirm to current year's classification. This does not impact recognition and measurement principles followed for preparation of standalone financial statements.

For and on behalf of the Board of Directors

| | |
|---|---|
| Vineet Govardhan Shah | Alyzaa Merchant |
| Managing Director | Director |
| DIN: 01761772 | DIN: 07164228 |
| Neehal Mahamulal Pathan | Meenakshi Ramandasani |
| Resolution Professional | Company Secretary |
| Reg. No.IBBI/IPA-001/IP-P/01561/2018-19/12406 | Membership No A47336 |

Place: Mumbai
Date: 14.08.2024