

# Krystal Integrated Services Pvt. Ltd.



## DIRECTOR REPORT

To,  
The Members,  
**Krystal Integrated Services Private Limited**

Your directors are pleased to present their 21<sup>st</sup> Annual Report of your Company along with the audited statement of account for the period ended on 31<sup>st</sup> March, 2022.

### 1. FINANCIAL RESULTS:

The Company's Financial Performance for the Financial year ended on 31<sup>st</sup> March, 2022 under review is given hereunder: -

PARTICULARS	2021-2022	2020-2021
	(Rs. in 000s)	(Rs. in 000s)
Net Sales /Income from Business Operations	63,24,420	50,61,184
Other Income	19,423	28,744
Total Income	63,43,844	50,89,928
Less: Total Expenses	59,96,557	48,08,665
Profit before Exceptional Item and tax	3,47,286	2,81,263
Less: Exceptional Item	-	-
<b>Profit before tax</b>	<b>3,47,286</b>	<b>2,81,263</b>
Less: Current Income Tax	64,235	49,142
Less: Deferred Tax	10,167	7,252
Less: Tax of earlier year	-	-
<b>Net Profit after Tax</b>	<b>2,72,884</b>	<b>2,24,869</b>
Earning per share (Basic)	47.36	39.02
Earning per Share (Diluted)	47.36	39.02

### 2. OPERATIONS:

During the year under review, the Company has achieved turnover of INR. 63,24,420,000 as compared to the last year's turnover i.e. INR. 50,61,184,000.

The Company is deploying its resources in the best possible way to increase business volumes and plans to achieve increased business in the current year.

**3. DIVIDENDS:**

In order to conserve resources for future growth and expansion, the Directors do not recommend any dividend on equity share capital of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022.

**4. TRANSFER TO RESERVES:**

Total Profit of INR. 2,72,884,000 for the Financial Year 2021-2022 is transferred to the General Reserve.

**5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**6. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:**

The National Company Law Tribunal Court, Mumbai Bench has passed the order dated 20<sup>th</sup> June, 2022 in the matter of Scheme of Arrangement in the nature of Demerger between Krystal Integrated Services Private Limited (Demerged Company) and Volksara Techno Solutions Private Limited (Resulting Company).

**7. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the year under review, there has been no such significant and material order passed by the regulators/courts/tribunals impacting the going concern status and company's operations in future.

**8. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(3) (c) and 134(5) (a) to (e) of Companies Act, 2013, the Board hereby submits its responsibility statement: -

- a. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures if any;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2022 and of the profit and loss of the company for the period ended on that date;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for

safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d. The directors had prepared the annual accounts on a going concern basis; and
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**9. CHANGE IN NATURE OF BUSINESS:**

There were no changes in the nature of business of the Company during the year.

**10. DETAILS OF SUBSIDIARIES COMPANY, JOINT VENTURES AND ASSOCIATES COMPANY:**

- **Holding Company**

The Company is a Wholly Owned subsidiary of Krystal Family Holdings Private Limited.

- **Subsidiaries**

- a. Flame Facilities Private Limited
- b. Krystal Gourmet Private Limited

- **Joint Ventures**

The Company has entered a joint venture with Krystal Aquachem (JV).

**11. PERFORMANCE OF SUBSIDIARIES ASSOCIATES AND JOINT VENTURE COMPANIES:**

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is given as **Annexure-A** [Performance and financial position of each of the subsidiaries, associates and Joint Venture].

**12. DIRECTOR'S AND KEY MANAGERIAL PERSONNEL:**

- a. **Changes in Directors**

There have been the no changes in the composition of Board of Directors for the Financial Year 2021-2022. The board of Director comprises of –

1. Neeta Prasad Lad
2. Pravin Ramesh Lad
3. Sanjay Suryakant Dighe
4. Saily Prasad Lad
5. Shubham Prasad Lad

**b. Key Managerial Personnel:**

The Company is in compliance with Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**c. Declaration by Independent Director(s) and re-appointment, if any:**

Being a Private company, there is no requirement to comply with the provisions of section 149 of the Companies Act, 2013.

**d. Formal Annual Evaluation:**

Being a Private Company, formal annual evaluation of the Board of Directors of the Company is not required to be done by the Company as per the relevant provisions of the Companies Act, 2013.

**13. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE FINANCIAL YEAR:**

The Meetings of the Board of Directors are pre-scheduled and intimated to all the Directors in advance in order to facilitate them to plan their schedule.

There were 15 Meetings of the Board of Directors held during the Financial Year 2021-22 in compliance with the requirements of the Companies Act, 2013 & SS -1 (Secretarial Standards on Board Meetings) issued by The Institute of Company Secretaries of India (ICSI) and the details of the meeting held is as follows:

<b>Sr. No.</b>	<b>DATE</b>	<b>VENUE</b>	<b>ATTENDANCE</b>
1.	16.04.2021	Registered office	5
2.	02.06.2021	Registered office	5
3.	30.06.2021	Registered office	5
4.	16.07.2021	Registered office	5
5.	16.08.2021	Registered office	5
6.	08.09.2021	Registered office	5
7.	27.09.2021	Registered office	5
8.	18.10.2021	Registered office	5
9.	18.11.2021	Registered office	5
10.	27.11.2021	Registered office	5
11.	18.12.2021	Registered office	5
12.	03.01.2022	Registered office	5
13.	25.01.2022	Registered office	5

14.	23.02.2022	Registered office	5
15.	30.03.2022	Registered office	5

**14. EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS:**

The observations of Auditors in their report, read with the relevant notes to accounts, are self – explanatory and do not require further explanation.

**15. STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. T. R. Chadha & Co LLP, Chartered Accountants, (FRN. 006711N/ N500028) was re-appointed for the second term of 5 (Five Year) as the Statutory Auditor of the Company in the 19<sup>th</sup> Annual General Meeting.

The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

**16. AUDIT COMMITTEE:**

The Company, being a Private Company, the requirement of constituting of Audit Committee is not applicable.

**17. NOMINATION AND REMUNERATION COMMITTEE:**

The Company, being a private company, the requirement of constituting of Nomination & Remuneration Committee is not applicable.

**18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Full particulars of loans and guarantees given and investments made under Section 186 of the Companies Act, 2013 are given separately in the Financial Statements of the Company read with Notes to Accounts which may be read in conjunction with this Report.

**19. EXTRACT OF THE ANNUAL RETURN:**

The disclosure on exact of annual Return is not applicable.

**20. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year under review, there were no applications made or proceedings pending in the name of the company under the Insolvency and Bankruptcy Code, 2016.

**21. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOANS FROM BANKS AND FINANCIAL INSTITUTIONS:**

During the year under review, there has been no onetime settlement of loans taken from Banks and Financial Institutions.

**22. RISK MANAGEMENT:**

During the year under review, the Board has been informed about the risk assessment and minimization procedures as required under Section 134 (3)(n) of the Companies Act, 2013 and an exercise was carried out in connection to its business operations.

The Company has developed and established a transparent mechanism that identifies, assesses, evaluates, manages and monitors major risks factors that may threaten the very existence of the Company. Such risk factors are continuously reviewed by the Board and appropriate action and measures are taken from time to time.

**23. PARTICULARS OF CONTRACTS / ARRANGEMENT WITH RELATED PARTIES:**

The disclosure of particulars of contracts or arrangements with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 ('the Act') including certain arm's length transactions under the third proviso thereto and forming part of the Directors' Report in the prescribed Form No. AOC-2 pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in "Annexure "B" to this Directors' Report.

All the Related Party transactions which were entered into during the Financial Year 2021-22 were at arm's length basis and in the ordinary course of business.

**24. ABRIDGED FINANCIAL STATEMENT:**

As the Company is a private company, provisions referred to in first proviso to Sub Section (1) of Section 136 of the Companies Act, 2013, not applicable to the Company, therefore No disclosure under **Form No. AOC -3** is required.

**25. DEPOSITS:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

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

**a. Conservation of Energy, Technology Absorption**

Company has limited scope for undertaking energy conservation exercises, but nevertheless continues to emphasize work practices that result in conservation of energy. At the offices of your Company, special emphasis is placed on installation of energy-efficient lighting devices, use of natural light as best as possible, and adoption of effective procedures for conservation of electricity, water, paper and other materials that consume natural resources.

**b. Technology absorption**

(I)	Efforts, in brief, made towards technology absorption.	NIL
(II)	Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	NIL
(III)	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:	NIL
	(a) Details of technology imported.	
	(b) Year of import.	
	(c) Whether the technology been fully absorbed	
	(d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore	
(IV)	Expenditure incurred on Research and Development	NIL

**c. Foreign exchange earnings and Outgo**

Earnings	NIL
Outgo	NIL

**27. CORPORATE SOCIAL RESPONSIBILITY:**

The CSR Policy along with the details of CSR activities during the year as per Corporate Social Responsibility Policy Rule, has been appended herewith as “Annexure C”.

**28. REMUNERATION POLICY:**

The Company being Private Company the provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee is not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

**29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION AND REDRESSAL) ACT, 2013:**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year, pursuant to the legislation 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013' introduced by the Government of India, which came into effect from 9<sup>th</sup> December 2013, the Company has framed a Policy on Prevention of Sexual Harassment at Workplace. There was no case reported during the year under review under the said Policy.

**30. COST RECORDS:**

As per the provisions of Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the maintenance of cost records and the conduct of cost audit is not mandated for the Company.

**31. SECRETARIAL STANDARDS:**

During the financial year 2021-22, the Company has complied with the applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India.

**32. SECRETARIAL AUDIT:**

Section 204(1) of the Companies Act, 2013 and Rule No.9 of The Companies (Appointment and Remuneration Personnel) Rules, 2014, is not applicable to the Company.

**33. SHARES:**

**a. Buy Back of Securities:**

The Company has not bought back securities during the year under review.

**b. Sweat Equity:**

The Company has not issued any Sweat Equity Shares during the year under review.

**c. Bonus Shares:**

The Company has not issued any Bonus Shares were not issued during the year under review.

**d. Employee Stock Option Plan:**

The Company has not provided any Stock Option Scheme to the Employees.



### **34. VIGIL MECHANISM:**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

Your Company is committed to the highest standards of ethical, moral and legal business conduct. Accordingly, Vigil Mechanism/Whistle Blower Policy was formulated which provides a robust framework for dealing with genuine concerns & grievances. The Policy provides for adequate safeguard against victimization of employees who avail the mechanism and also provides direct access to the concerned person in charge for handling such issue. Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company.

### **35. ORDER OF COURT**

The National Company Law Tribunal Court, Mumbai Bench has passed the order dated 20<sup>th</sup> June,2022 in the matter of Scheme of Arrangement in the nature of Demerger between Krystal Integrated Services Private Limited (Demerged Company) and Volksara Techno Solutions Private Limited (Resulting Company).

### **36. ACKNOWLEDGEMENT**

The Board of Directors would like to acknowledge all its stakeholders and is grateful for the support received from suppliers and business associates.

Your directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Maharashtra and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

**For and On Behalf of the Board of Directors  
Krystal Integrated Services Private Limited**

  
  
**Neeta Prasad Lad**  
Director  
(DIN: 01122234)  
Date: 27<sup>th</sup> September 2022  
Place: Mumbai

  
  
**Sanjay Suryakant Dighe**  
Director  
(DIN: 02042603)

#### **Attachments:**

**Annexure A:** Performance and financial position of each of the subsidiaries, associates and Joint Venture

**Annexure B:** AOC-2

**Annexure C:** Corporate Social Responsibility.

**Annexure – A**

**Form AOC-1**

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

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

**Part “A”: Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in INR.)

<b>Particulars</b>	<b>1</b>	<b>2</b>
Name of the subsidiary	Flame Facilities Private Limited <b>(Rs. in 000s)</b>	Krystal Gourmet Private Limited <b>(Rs. in 000s)</b>
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR
Share capital	100	6,427
Reserves & surplus	5,895	32,110
Total assets	32,467	86,557
Total Liabilities	32,467	86,557
Investments	-	1
Turnover	88,339	60,616
Profit before taxation	799	1,513
Current Tax	184	439
Deferred Tax	17	2
Profit after taxation	598	1,072

Proposed Dividend	-	-
% of shareholding	100	100

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

**Part "B": Associates and Joint Ventures**

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

Name of Associates/Joint Ventures	Krystal Aquachem JV
1. Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2022
2. Shares of Associate/Joint Ventures held by the company on the year end	No
Amount of Investment in Associates/Joint Venture	INR 14,79,043/-
Extend of Holding %	97%
3. Description of how there is significant influence	Krystal Integrated Services Private Limited is holds 97% share in profits of Krystal Aquachem JV.
4. Reason why the associate/joint venture is not consolidated	It not Mandatory as per AS-21 and consolidation will done by the ultimate holding Company of Krystal Integrated Services Private Limited
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	INR. 45,40,173/-
Profit / Loss for the year	
i. Considered in Consolidation	
i. Not Considered in Consolidation	INR. 12,70,438/-

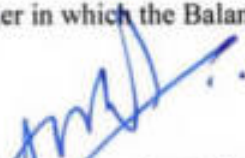
Names of associates or joint ventures which are yet to commence operations. - **Not Applicable**

Names of associates or joint ventures which have been liquidated or sold during the year. - **Not Applicable**

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.



**Neeta Prasad Lad**  
Director  
DIN: 01122234



**Sanjay Suryakant Dighe**  
Director  
DIN: 02042603



Date: 27<sup>th</sup> September, 2022  
Place: Mumbai

**Annexure - B**

**FORM NO. AOC -2**


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


Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.: **NIL**
  
2. Details of contracts or arrangements or transactions at Arm's length basis:

<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of contracts/arrangement/transactions</b>	<b>Duration of the contracts / arrangements/transactions</b>	<b>Date of approval by Board</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any:</b>	<b>Amount paid as advances, if any:</b>
Krystal Family Holdings Private Limited - Holding	Loan/ Professional Fees	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Krystal Gourmet Private Limited –Subsidiary	Catering Services	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Flame Facilities Private Limited—Subsidiary	Loan	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Krystal Aquachem- Joint Venture	SITC Service	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Krystal Aviation Services Private Limited- Promoter, director of the Company having significant influence	Professional Fees/ Loan	Ongoing	16.04.2021	In the Normal Course of Business	NIL

Volksara Techno Solutions Private Limited - Promoter, director of the Company having significant influence	Professional Fees/ Site Expenses/ Sale of fixed Assets	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Krystal Allied Services Private Limited- Promoter, director of the Company having significant influence	Sale of Service	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Navagunjara Financial Private Limited- Promoter, director of the Company having significant influence	Loam	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Mumbai District Central Co-operative Bank Limited- Promoter, director of the Company having significant influence	Loan	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Neeta Prasad Lad – Director	Rent Expenses	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Prasad Minesh Lad – Relative of Key Management Personnel	Rent Expenses/ Remuneration	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Prasad Lad HUF- Relative of Key Management Personnel	Rent Expenses	Ongoing	16.04.2021	In the Normal Course of Business	NIL
Surekha Lad- Relative of Key Management Personnel	Remuneration	Ongoing	16.04.2021	In the nature of the employment	NIL

  
 \_\_\_\_\_  
 Neeta Prasad Lad  
 Director  
 DIN: 01122234  
 Date: 27<sup>th</sup> September, 2022  
 Place: Mumbai

  
 \_\_\_\_\_  
 Sanjay Suryakant Dighe  
 Director  
 DIN: 02042603

**Annexure - C**

**Format for the Annual Report on CSR Activities to be Included in the Board's Report for  
Financial Year Commencing on or After 1<sup>st</sup> Day of April, 2021**

**1. Brief outline on CSR Policy of the Company. –**

The objective of our Company is to pro-actively support meaningful socio-economic development in India. This is based on the belief that growth and development are effective only when they result in wider access to opportunities and benefit a broader section of society.

Our aim is to identify critical areas of development that require investments and intervention which can help to realize India's potential for growth and prosperity and to generate, through its CSR initiatives, goodwill and pride for Company among stakeholders and help reinforce a positive and socially responsible image of Krystal Integrated Services Private Limited as a corporate entity.

**2. Composition of CSR Committee: As provided below:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Neeta Prasad Lad	Director	01	01
2	Sanjay Suryakant Dighe	Director	01	01
3	Pravin Ramesh Lad	Director	01	01

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. -[www.krystal-group.com](http://www.krystal-group.com)
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)- **Not Applicable.**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- **Not Applicable**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1			
	<b>Total</b>		

6. Average net profit/loss of the company as per section 135(5) - **Rs. 30,44,73,808 (Avg. Net Profit).**





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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District.			Name.	CSR registration number.
1	NA	Education	Mumbai	Maharashtra		30,00,000	No	Anthyodaya Prathishthan	CSR00006165
2	NA	Education	Mumbai	Maharashtra		35,00,000	No	MI Mumbai Abhiyan Abhiman Prathishthan	CSR00006199

(d) Amount spent in Administrative Overheads-

(e) Amount spent on Impact Assessment, if applicable- N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) = 65,00,000

(g) Excess amount for set off, if any= not applicable

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	60,89,476
(ii)	Total amount spent for the Financial Year	65,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4,10,524
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4,10,524

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	FY 18-19	-	-	-	-	-	-
2.	FY 19-20	-	-	-	-	-	-
3.	FY 20-21	-	-	-	-	-	-
4.	FY 21-22	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
Nil								

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

(asset-wise details).


(a) Date of creation or acquisition of the capital asset(s) - **None**

(b) Amount of CSR spent for creation or acquisition of capital asset. -**Nil**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **None**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). -**None**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – Not Applicable.

 Signature (Director)	 Signature (Director)	 Signature (Chairman CSR Committee)
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Date: 27<sup>th</sup> September, 2022

Place: Mumbai

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email:mumbai@trchadha.com



### INDEPENDENT AUDITOR'S REPORT

To,  
**The Members of Krystal Integrated Services Private Limited**

#### Report on the audit of the Financial Statements

##### Opinion

We have audited the accompanying financial statements of **Krystal Integrated Services Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its profit and cash flows for the year ended on that date.

##### Basis for Opinion

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

##### Information Other than the Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report 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 and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

Corporate / Regd. Office: B-30, Connaught Place, Kuthiwa Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259830, Email : [delhi@trchadha.com](mailto:delhi@trchadha.com)



Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupat. ♦ Vadodra ♦ Noida

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: mumbai@trchadha.com



statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

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

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

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standard and other 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 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.

Corporate / Regd. Office: B-30, Connaught Place, KirtiNala Building, New Delhi - 110001  
Phone: 43259900, Fax: 43259930, E-mail: delhi@trchadha.com



Branches at: Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodra ♦ Noida

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: mumbai@trchadha.com



- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' 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.

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 A", 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 our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

Corporate / Regd Office: B-50, Connaught Place, KirtiNata Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259930, E-mail : delhi@trchadha.com



Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodara ♦ Noida

# T R Chadha & Co LLP



## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email:mumbai@trchadha.com



- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) The provision of section 197 read with schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2 (71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
- (h) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position other than mentioned under contingent liability.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- a. (i) Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("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;
- (ii) Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), 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

Corporate / Regd. Office: B-30, Connaught Place, Kuthala Building, New Delhi - 110001  
Phone : 43269900, Fax : 43269930, E-mail : delhi@trchadha.com

Branches at: Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦  

# T R Chadha & Co LLP

Chartered Accountants

S02, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: mumbai@trchadha.com



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

(iii) Based on such audit procedures performed and information and explanation given, nothing has come to our notice that has caused us to believe that the representations under sub-clause (j) and (ii) contain any material mis-statement.

For T R Chadha & Co LLP  
Chartered Accountants  
FRN No. 006711N/N500028



Alka Hinge  
Partner  
Membership No. 104574  
UDIN: 22104574AZBDDD4620

Date: 27.09.2022  
Place: Mumbai

Corporate / Regd. Office: B-30 Connaught Place, Ruzhala Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259930, E-mail : [delhi@trchadha.com](mailto:delhi@trchadha.com)

Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodara ♦ Noida



# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: mumbai@trchadha.com



### ANNEXURE-A

**Krystal Integrated Services Private Limited**  
**Annexure to Independent Auditors' Report for the period ended March 2022**  
**(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)**

#### (i) Property, Plant and Equipment

- (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) There are no immovable properties in the name of the company as appears from the books of accounts. The Company is yet to get the possession of the properties mentioned under Capital Work in Progress. In our opinion and according to the information and explanations given to us by the management and on the basis of an examination of the records of the Company, the title deeds of the immovable properties as disclosed under Capital Work in Progress in Note-11 of the financial statements are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

#### (ii) Inventories

- a) We are of the opinion that the procedure of physical verification of inventory and frequency of such verification is reasonable and adequate in relation to the size of the company and the nature of its business. Further, No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- b) The Company has been sanctioned working capital limits in excess of Rupees Five Crore in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The monthly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of account of the Company except as highlighted above.



Corporate / Regd. Office: B-30, Connaught Place, Mathura Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259930, E-mail : delhi@trchadha.com

Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodara ♦ Noida

# T R Chadha & Co LLP

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502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
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Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
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Email: mumbai@trchadha.com



### (iii) Loans, Investments, Guarantees, Securities and Advance in Nature of Loan

(a) During the year the company has provided loans, investments and guarantees to companies as follows:

		(Rs. '000)		
Particulars		Loans	Guarantees	Investment
Aggregate amount granted/ provided during the year		56,179	6,134	1,584
Particulars		Loans	Guarantees	Investment
I	Subsidiaries	56,179	6,134	-
II	Joint Ventures	-	-	1,584
Balance outstanding as at balance sheet date in respect of above cases				
I	Subsidiaries	17,557	6,134	-
II	Joint Ventures	-	-	1479

(h) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has granted loans / advances in the nature of loans repayable on demand during the year to its subsidiaries details of which has been provided in the table below:

Particulars	(Rs. In '000)		
	All Parties	Promoter	Related Parties
Aggregate amount of Loans / Advances in nature of Loans			
- Repayable on Demand (A)			
- Agreement does not specify any terms or period of repayment (B)	17,557	-	17,557
<b>Total (A+B)</b>	<b>17,557</b>	<b>-</b>	<b>17,557</b>
Percentage of Loans / Advances in nature of Loans to the total loans	100%	-	100%

Corporate / Regd. Office: B-30, Connaught Place, Kuthala Building, New Delhi - 110001  
Phone : 43258900, Fax : 43258930, E-mail : delhi@trchadha.com



Branches at: Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodra ♦ Vrindavan

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email:mumbai@trchadha.com



(g) As confirmed to us, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

### (iv) Compliance of Sec. 185 & 186

In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act, in respect of loans granted and investments made.

### (v) Public Deposit

In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits under Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, para 3(v) of the Order is not applicable to the Company.

### (vi) Cost Records

The Central Government has not prescribed the maintenance of cost records under Section 148(l) of the Companies Act. Accordingly, the provision of paragraph 3(vi) of the Order is not applicable to the Company.

### (vii) Statutory Dues

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State insurance, income-tax, Goods and Service tax, cess and Professional Tax and other statutory dues, as applicable, with the appropriate authorities *except delay in certain cases*. There are no dues payable outstanding as on 31st March, 2022 for a period of more than six months from the date they became payable *except Rs. 10.60 crores in respect of ESIC, PF etc. Out of the same, Rs. 4.01 Crores has already been deposited by the company, the balance amount Rs. 6.54 Crores is pending mainly on account of KYC compliance and Government website not allowing to generate Challan. The Company is following up with the appropriate authorities.*

b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no dues of Income-tax, Service tax, Duty of customs, Goods and service tax, duty of excise and value added tax as at 31 March 2022, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the statute	Assessment Year	Amount (Rs. In '000)	Forum where dispute is pending	Status
The Income Tax Act, 1961	2017-18	39,787.04	CIT	Appeal to CIT
Provident Fund	2014-15	8,529.18	Tribunal Court	Appeal

Corporate / Regd Office: B-30, Connaught Place, Nuthala Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259930, E-mail : delhi@trchadha.com



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# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email:mumbai@trchadha.com



Provident Fund	2015-16	55,406.75	Tribunal Court	Appeal
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- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Accordingly, the provision of paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) (a) In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of any loans or borrowings from Financial Institutions or banks.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) According to the information and explanations given to us, the Company did not raise any money by way of Public issues / Debentures Issue.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) As explained to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) As explained to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As explained to us, there is no whistle blower complaints received during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company as prescribed under Section 406 of the Act. Accordingly, para 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with provisions of Section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

Corporate / Regd. Office: B-30, Connaught Place, Kuthiela Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259930, E-mail : delhi@trchadha.com

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# T R Chadha & Co LLP

## Chartered Accountants

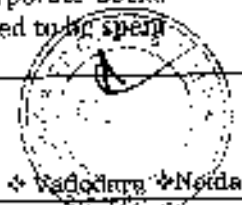
502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email:mumbai@trchadha.com



- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, para 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) 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 and 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 indicating 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 due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second provision to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, there was no unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

As there are no ongoing projects to which the Company has to transfer the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent

Corporate / Regd. Office: B-30, Connaught Place, Kuthala Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259930, E-mail : [trchadha@trchadha.com](mailto:trchadha@trchadha.com)



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502, Marathon Icon,  
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Tel.: 022-49669000  
Fax.: 022-49669023  
Email: mumbai@trchadha.com



during the year, to a Special Account in compliance with the provision of sub-section (6) of section 135 of the said Act till the date of our report since the time period for such transfer i.e. 30 days from the end of the financial year has not elapsed till the date of our report. Accordingly, reporting under clause 3(xx)(h) of the Order is not applicable for the year.

For T R Chadha & Co LLP  
Chartered Accountants  
FRN No. 006711N/N500028



Alka Hinge  
Partner  
Membership No. 104574  
UDIN: 22104574AZBDDDB4620

Date: 27.09.2022  
Place: Mumbai

Corporate / Regd. Office: B-30, Connaught Place, Kuthiela Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259930, E-mail : delhi@trchadha.com

Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupur ♦ Vadodara ♦ Noida

# T R Chadha & Co LLP

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502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
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Email: mumbai@trchadha.com



### ANNEXURE-B

#### THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KRYSAL INTEGRATED SERVICES PRIVATE LIMITED

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

We have audited the internal financial controls systems with reference to financial statement reporting of **Krysal Integrated Services Private Limited** ("the Company") as of 31 March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

##### Auditors' Responsibility

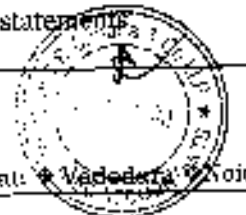
Our responsibility is to express an opinion on the Company's internal financial controls systems with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls systems with reference to financial statements 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 systems with reference to financial statements and their operating effectiveness. Our audit of internal financial controls systems with reference to financial statements included obtaining an understanding of internal financial controls systems with reference to financial statement, 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 judgement, 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 systems with reference to financial statements.

Corporate / Regd. Office: B-30, Connaught Place, Nuthala Building, New Delhi - 110001  
Phone : 43259900, Fax : 43259930, Email : delhi@trchadha.com

Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodra ♦ Voids



# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai - 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: mumbai@lrchadha.com



### Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statement, 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 with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March, 2022, based on, "the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".



For T R Chadha & Co LLP  
Chartered Accountants  
FRN No. 006711N/N500028

Alka Hinge  
Partner  
Membership No. 104574  
UDIN: 22104574AZBDDD4620

Date: 27.09.2022  
Place: Mumbai



Krystal Integrated Services Private Limited  
Balance sheet at 31st March 2022  
CIN-U74920MH2000PTC129827

(Amount in Rs. '000)

Particulars	Note	As at 31st March 2022	As at 31st March 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	57,622	57,622
Reserves and surplus	4	1,644,085	1,371,701
<b>Non-current liabilities</b>			
Long-term borrowings	5	288,032	765,079
Long-term provisions	6	1,686	1,603
<b>Current liabilities</b>			
Short term borrowings	7	246,542	306,779
Trade Payables	8		
Outstanding dues to MSME		2,161	4,784
Outstanding dues other than MSME		477,729	-- 355,874
Other Current Liabilities	9	1,205,558	921,174
Short-term provisions	10	112,708	98,313
<b>TOTAL</b>		<b>4,036,122</b>	<b>3,386,727</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, Plant and Equipments</b>			
Tangible assets	11	91,635	96,342
Intangible assets	11	1,325	1,130
Capital work in progress	11	600,063	600,063
Non-current investments	12	29,937	25,698
Long-term loans and advances	14	741,922	61,864
<b>Current assets</b>			
Inventories	15	58,412	22,241
Trade receivables	16	2,483,773	2,116,696
Deferred Tax assets	13	17,557	27,724
Cash and bank balances	17	345,592	259,646
Short-term loans and advances	18	165,905	175,077
<b>TOTAL</b>		<b>4,036,122</b>	<b>3,386,727</b>

Significant accounting policies and Notes to accounts 1-40

The accompanying Notes are an integral part of the Financial Statements


As Per Our Attached Report of Even Date  
T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number : 026711N / N50028

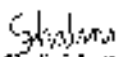
  
Alka Hinge  
Partner  
Membership No. 104574  
Place Mumbai  
Date : 27/09/2022

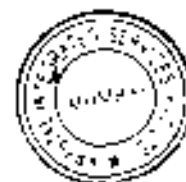


For and on Behalf of Board of Directors of  
Krystal Integrated Services Private Limited

  
Neeta Lad  
Director  
(DIN-01122234)  
Place : Mumbai  
Date : 27/09/2022

  
Sanjay Dighe  
Director  
(DIN 02042603)

  
Shalini Agrawal  
Company Secretary  
Mem No. -52374



Krystal Integrated Services Private Limited  
 Statement of Profit And Loss for the year ended 31st March 2022  
 CIN-U74920MH2000PTC129327

[Amount in Rs. '000]

Particulars	Note	Year Ended	Year Ended
		31st March 2022	31st March 2021
<b>Income</b>			
Revenue from operations	19	6,324,420	5,061,284
Other income	20	19,423	28,744
<b>Total Revenue</b>		<b>6,343,844</b>	<b>5,089,928</b>
<b>Expenses</b>			
Material consumed	21	983,147	483,265
Employee benefit expenses	22	4,622,010	3,965,574
Finance costs	23	107,597	92,017
Depreciation and amortization expenses	11	26,141	31,679
Other expenses	24	257,562	236,130
<b>Total Expenses</b>		<b>5,996,557</b>	<b>4,808,665</b>
<b>Profit before tax</b>		<b>347,286</b>	<b>281,263</b>
<b>Tax expense:</b>			
Current tax		64,235	49,142
Deferred tax		10,167	7,257
<b>Profit After Tax</b>		<b>272,884</b>	<b>224,869</b>
EBITDA		481,324	404,359
EBITDA%		7.61%	8.00%
<b>Earnings per equity share (nominal value Rs. 10/- per share)</b>			
Basic		47.36	39.02
Diluted		47.36	39.02

Significant accounting policies and Notes to accounts 1-40

The accompanying Notes are an integral part of the Financial Statements


As Per Our Attached Report of Even Date  
 T R Chadha & Co LLP  
 Chartered Accountants  
 Firm Registration Number - 306711N / N50DC28

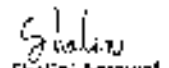
  
 Aika Hinge  
 Partner  
 Membership No. 304574  
 Place : Mumbai  
 Date : 27/09/2022



For and on Behalf of Board of Directors of  
 Krystal Integrated Services Private Limited

  
 Neeta Lad  
 Director  
 (DIN-01122234)  
 Place : Mumbai  
 Date : 27/09/2022

  
 Manoj Dighe  
 Director  
 (DIN-02042603)

  
 Shalini Agrawal  
 Company Secretary  
 Mem No. -52374



Krystal Integrated Services Private Limited  
Cash Flow Statement for the year ended 31st March 2022  
CIN-U74920MH2000PTCL29827

(Amount in Rs. '000)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Cash flows from operating activities</b>		
Net profit before tax	547,285	221,253
Depreciation	26,141	31,679
Interest expenses	92,509	79,778
Balance Written off	2,650	25,407
Provision for bad debts	20,357	15,375
(Profit) / loss on sale of Assets	(76)	(236)
Provisions	14,078	26,280
<b>Operating Profit before change in working capital</b>	<b>603,402</b>	<b>439,195</b>
<b>Changes in working capital:</b>		
Adjustments for increase / decrease in operating assets:		
Inventories	(55,171)	(750)
Trade receivables	(387,433)	(251,207)
Short-term loans and advances	25,765	152,051
Trade payables	119,232	(211,877)
Other current liabilities	179,310	165,572
<b>Change in working capital</b>	<b>(107,798)</b>	<b>(179,186)</b>
Less: Tax paid	(64,637)	(89,715)
<b>Cash flows from operating activities</b> [A]	<b>311,573</b>	<b>190,291</b>
<b>Cash flows from Investing Activities</b>		
(Purchase) / sales of Property, plant and Equipments	(21,311)	(50,164)
Deposit with Bank*	(87,038)	124,327
(Purchase) / Sales of Investment	(4,239)	(5,862)
<b>Cash flows from Investing Activities</b> [B]	<b>(112,588)</b>	<b>68,301</b>
<b>Cash flows from Financing Activities</b>		
Loan taken / (Repayment)	137,128	71,059
Long-term loans and advances	(129,058)	(14,857)
Short-term borrowings	(62,236)	(182,521)
Interest payment	(92,309)	(79,775)
<b>Cash flows from Financing Activities</b> [C]	<b>(206,076)</b>	<b>(278,152)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b> [A+B+C]	<b>(1,082)</b>	<b>439</b>
Opening cash and cash equivalents (refer note 17)	9,072	8,632
Closing cash and cash equivalents	7,990	9,072
<b>Cash and Cash Equivalents at the end of the period comprise of:</b>		
Cash on Hand	1,003	1,019
Balances with Banks in Current accounts	6,987	8,053
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(1,082)</b>	<b>439</b>

\*Fixed Deposit with Bank kept in margin money were not included in cash and cash equivalent for preparation of Cash Flow Statement

**Note:**

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the accounting Standard-3 on Cash Flow Statements
- Previous period figures have been regrouped / reclassified / rearranged wherever necessary to make them comparable to those for the current year.

The accompanying Notes are an integral part of the Financial Statements.

As per Our Attached Report of Even Date  
TR Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number: 006711N / N300075

Aika Hinge  
Partner  
Membership No. 104574  
Place: Mumbai  
Date: 27/03/2022



For and on behalf of Board of Directors of  
Krystal Integrated Services Private Limited

Nusata Lad  
Director  
(DIN-01122294)  
Place: Mumbai  
Date: 27/03/2022

Sanjay Dighe  
Director  
(DIN-02042803)

Shalini Agrawal  
Company Secretary  
Mem No. -52174



Kyrial Integrated Services Private Limited  
 Interim financial statements for the period ended 31/03/2020  
 Note 11: Property, Plant and Equipments

(Amount in Rs. '000)

ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION / IMPAIRMENT				NET BLOCK	
	As at 01/04/2021	Additions during the year	Disposals	As at 31/03/2022	On Opening Balance	For the year		Total upto 31/03/2022	As at 31/03/2022	As at 31/03/2021
						On Addition	On Deduction			
	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount
<b>Tangible assets</b>										
Plant & Machinery*	204,744	7,553	672	211,625	16,211	817	328	156,534	56,117	65,110
Furniture & Fixture	18,897	965	-	19,237	619	11	-	16,933	2,314	3,624
Vehicles	30,892	11,922	-	42,814	3,900	487	-	34,475	47,029	29,773
Computers, Peripherals	38,936	678	-	39,614	4,410	121	-	31,626	1,737	8,093
Hotel fixtures	4,090	-	-	2,850	1,147	31	-	1,870	1,070	1,493
<b>Total of Tangible assets</b>	<b>296,559</b>	<b>10,217</b>	<b>672</b>	<b>315,274</b>	<b>22,793</b>	<b>1,156</b>	<b>529</b>	<b>223,938</b>	<b>91,636</b>	<b>96,342</b>
<b>Intangible assets</b>										
Computer Software	7,809	1,097	-	8,906	488	314	-	7,581	1,325	1,436
<b>Total of Intangible assets</b>	<b>7,809</b>	<b>1,097</b>	<b>-</b>	<b>8,906</b>	<b>948</b>	<b>314</b>	<b>-</b>	<b>7,581</b>	<b>1,325</b>	<b>1,436</b>
<b>Capital Work in progress (PPE in Progress)</b>	<b>600,075</b>	<b>-</b>	<b>-</b>	<b>600,075</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>600,075</b>	<b>600,075</b>
<b>Grand total</b>	<b>904,241</b>	<b>11,314</b>	<b>672</b>	<b>924,249</b>	<b>24,731</b>	<b>1,470</b>	<b>529</b>	<b>231,519</b>	<b>623,025</b>	<b>667,833</b>

ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION / IMPAIRMENT				NET BLOCK	
	As at 01/04/2020	Additions during the year	Deductions	As at 31/03/2021	On Opening Balance	For the year		Total upto 31/03/2021	As at 31/03/2021	As at 31/03/2020
						On Addition	On Deduction			
	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount
<b>Tangible assets</b>										
Plant & Machinery*	201,155	28,040	25,951	203,244	20,145	3,398	18,706	135,798	67,310	48,203
Furniture & Fixture	18,831	16	-	18,897	226	-	-	16,378	2,524	3,285
Vehicles	26,387	7,776	88	34,382	2,851	315	680	22,707	13,775	17,084
Computers, Peripherals	34,204	4,253	-	38,457	3,165	569	-	44,288	6,691	5,842
Hotel fixtures	2,686	-	-	2,690	115	-	-	2,447	2,943	1,611
<b>Total of Tangible assets</b>	<b>283,263</b>	<b>39,075</b>	<b>27,039</b>	<b>301,863</b>	<b>26,502</b>	<b>3,982</b>	<b>19,436</b>	<b>198,577</b>	<b>96,342</b>	<b>86,024</b>
<b>Intangible assets</b>										
Computer Software	7,287	130	-	7,417	1,215	54	-	6,149	1,430	1,315
<b>Total of Intangible assets</b>	<b>7,287</b>	<b>130</b>	<b>-</b>	<b>7,417</b>	<b>1,215</b>	<b>54</b>	<b>-</b>	<b>6,149</b>	<b>1,430</b>	<b>1,315</b>
<b>Capital Work in progress (PPE in Progress)</b>	<b>600,062</b>	<b>-</b>	<b>-</b>	<b>600,062</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>600,062</b>	<b>600,062</b>
<b>Grand total</b>	<b>890,612</b>	<b>39,205</b>	<b>27,039</b>	<b>927,346</b>	<b>27,717</b>	<b>3,986</b>	<b>19,436</b>	<b>204,876</b>	<b>627,335</b>	<b>657,131</b>

\* Refer Note 5 for borrowing against assets from financial institutions



**Krystal Integrated Services Private Limited**  
**Significant Accounting Policies and Notes to Accounts**

**1 Company Background**

Krystal Integrated Services Private Limited was incorporated under the provisions of the companies Act, 1956 on 1<sup>st</sup> December, 2000. The company has a team of over 10000 professionally trained manpower serving to impressive clientele which includes government companies, national and multi national companies. The company is mainly in the business of Providing Facilities Management Services , Security Agency Services, Housekeeping Services and Supply, Installation, Testing and Commissioning Services

**2 Significant Accounting Policies:**

**i) Basis of Accounting**

The financial statements are prepared and presented under historical cost convention, on-going concern concept and in compliance with the Accounting Standards notified under Section 133 of the Companies Act, 2013. The Company follows mercantile system of accounting and recognizes Income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of Income. Accounting policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting policies.

**ii) Use of Estimates**

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period under review.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Changes in the estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**iii) Cash Flow Statement**

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated. The cash flows from investing and financing activities are determined by using the direct method.

**iv) Property, Plants and Equipments**

**Tangible Assets**

Tangible Assets are stated at cost of acquisition less accumulated depreciation and impairment losses. The Cost of Fixed Assets including any cost attributable to bringing the assets to their working condition for their intended use and taxes to the extent credit not availed

**Intangible Assets**

Intangible Assets are stated at cost of acquisition less accumulated amortization and impairment losses. The Cost of Intangible Assets including any cost attributable to bringing the assets to their working condition for their intended use and taxes to the extent credit not availed.

**v) Depreciation and amortisation**

Depreciation on property, Office Equipments, plant and machinery and Furniture and Fixtures has been provided on pro rata basis over estimated useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in following cases.

Depreciation on assets costing less than Rs 5000 is charged in full to Profit and Loss statement. Intangible assets are amortised over the useful life of three year.



An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**vi) Investments**

(a) The Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. Current investments are classified in the financial statements at lower of cost and fair value determined on an individual investment basis.

(b) Investment other than current investments, are classified as long term investments and are stated at cost. Provision for diminution in value of long term investments is made only if such a decline is other than temporary.

**vii) Impairment of Assets**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount reduced to its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, then the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**viii) Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence. Cost of inventories is ascertained on FIFO basis. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Inventories Comprise of Work- in Progress pertaining to Tech Manindra Ltd. (PCMC) project and Orissa Project.

**ix) Taxes on Income**

Income Tax comprises of Current Tax and net changes in Deferred Tax Assets or Liability during the year. Provision for current tax is based on the taxable income of the Company as determined under the provision of income Tax Act, 1961.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.



## x) Employee Benefits

### Short-term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period.

### Post Employment Benefits:

**Defined Benefit Plan:** The Company's liability towards gratuity is defined benefit plans. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured using the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

### Other Benefits:

Compensated absences are to be availed or encashed within 12 months from the end of the year and according are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actually determined at the end of each year. No encashment is provided to in-house employees for leave accumulation, the same is applicable for contract employees based on client's they are serving.

**Termination Benefits :** Termination benefits are recognised in the statement of profit and loss as and when incurred.

## xi) Revenue Recognition

- a Revenue is recognized when the control is transferred to the customer and when the Company has completed its performance obligations under the contracts. Revenue is recognized in a manner that depicts the transfer of goods and services to customers at an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. Revenue is recognized as follows: (i) Revenue from services represents the amounts receivable for services rendered. (ii) For non-contract-based business, revenue represents the value of goods delivered or services performed. (iii) For contract-based business, revenue represents the sales value of work carried out for customers during the period. Such revenues are recognized in the period in which the service is rendered. (iv) Unbilled revenue (contract assets) net of expected deductions is recognized at the end of each period. Such unbilled revenue is reversed in the subsequent period when the actual invoice is raised. (v) For SITC contracts are measurable against actual supply of material, followed by subsequent installation and eventually Testing & Commissioning of the said material till go-live of the contract.
- b Dividend income is recognized on receipt basis.
- c Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

## xii) Foreign currency transactions

The Company accounts for the effects of changes in foreign exchange rates in accordance with Accounting Standard-11 notified by the Companies (Accounts) Rules, 2014. Transactions in foreign currency are recognised on the basis of the rate of exchange prevailing at the date of the transaction. Exchange differences arising on settlement during the year are recognised in the Statement of Profit and Loss.



Monetary items, denominated in foreign currency, are restated at the exchange rate prevailing at the year end and the resulting exchange difference recognized in the Statement of Profit and Loss.

**xiii) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when an enterprise has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and determined based on best estimate required to settle the obligation at the balance sheet date. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. Contingent Assets are neither recognized not disclosed in the financial statements.

**xiv) Earning per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity share holders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

**xv) Borrowing Cost**

Interest and other costs incurred for acquisition and construction of qualifying assets, up to the date of commissioning/ installation, are capitalized as part of cost of said asset. All other borrowing costs are expensed in the period they occur.

**xvi) Operating Lease**

The Company is obligated under non-cancellable leases for office and residential space that are renewable on a periodic basis at the option of both the lessor and lessee. Lease expenses are charged to the profit and loss account on a straight line basis over the lease term.

**xvii) Government Grant**

Company has received government grants to towards Aajeevika Skills Government of India under DDUGKY ( Dir. Dayal Upadhyay Grameen Kaushalya Yojana ) Is the Skilling and Placement initiative of the Ministry of Rural Development ( MoRD ), Government of India. Recognition of the said grants is on receipt basis. Company not desirous to make any profit out of receipt of government grants and it has no nexus with revenue account of the company





**Krystal Integrated Services Private Limited**
**Notes to financial statements for the year ended 31st March 2022**

(Amount in Rs. '000)

Particulars	31st March 2022		31st March 2021	
<b>Note -3 Share Capital</b>				
<b>(a) Authorised</b>				
1,00,00,000 (1,00,00,000) Equity Shares of Rs. 10/- each		100,000		100,000
		100,000		100,000
<b>(b) Issued, subscribed and fully paid-up</b>				
57,62,200 (57,62,200) Equity Shares of Rs. 10/- each		57,622		57,622
<b>Total</b>		<b>57,622</b>		<b>57,622</b>

**Notes:**

(Amount in Rs. '000)

**(i) Reconciliation of number of Equity Shares and Amount outstanding at the beginning and at the end of the year**

Particulars	31st March 2022		31st March 2021	
	No. of Equity Shares	Amount (Rs.)	No. of Equity Shares	Amount (Rs.)
Equity Shares outstanding as at the beginning of the year	5,762,200	57,622	5,762,200	57,622
Add: Equity shares issued during the year	-	-	-	-
Equity Shares outstanding as at the end of the year	5,762,200	57,622	5,762,200	57,622

**(ii) Shares held by holding company**

(Amount in Rs. '000)

Name of the shareholder	31st March 2022		31st March 2021	
	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
Krystal Family Holdings Private Limited	5,762,200	57,622	5,762,200	57,622
	5,762,200	57,622,000	5,762,200	57,622,000

**(iii) Details of Shareholders holding more than 5% of Equity Shares of the Company**

(Amount in Rs. '000)

Name of the shareholder	31st March 2022		31st March 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Krystal Family Holdings Private Limited	5,762,200	100.00%	5,762,200	100.00%
	5,762,200	100.00%	5,762,200	100.00%

**(iv) Terms / rights attached to equity shares**

The Company has single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(Amount in Rs. '000)

Particulars	31st March 2022		31st March 2021	
<b>Note -4 Reserves and Surplus</b>				
<b>(a) Securities Premium Reserve</b>				
Balance as at the beginning of the year		8,000		8,000
Additions during the year		-		-
Balance as at the end of the year		<b>8,000</b>		<b>8,000</b>
<b>(b) Surplus</b>				
Balance Surplus as at the beginning of the year		1,363,201		1,138,532
Add: Profit for the year		271,884		224,859
As at the end of the year		1,635,085		1,363,201
<b>Total</b>		<b>1,644,085</b>		<b>1,371,201</b>



Particulars	31st March 2022	31st March 2021
<b>Note -3 Long Term Borrowing</b>		
<b>Secured</b>		
<b>From Banks</b>		
Vehicle Loans (Refer note (i) (a) and (ii) (a) below)	16,208	12,125
Loan against Property (Refer note (i)(b) and (ii)(b) below)	154,243	185,318
Govt. Emergency Funding	-	15,630
<b>From Others</b>		
Term Loans from financial institutions (Refer note (i)(c) and (ii)(d) below)	61,796	7,639
<b>Unsecured</b>		
Loan From: Promoters/Directors	33,766	44,362
<b>Total</b>	<b>286,032</b>	<b>289,079</b>

**(i) Nature of Security**

- (a) Vehicle loans from banks are secured against specific charge on the respective vehicle  
 (b) Loan against Property are secured against charge on the Cohinour Property  
 (c) Term loans from financial institutions - Tata Capital Financial Services Ltd are secured against hypothecation of machinery purchased out of TCFSI Fund.  
 (d) Term loans from financial institutions - HP Financial Services Pvt. Ltd. are secured against Bank Guarantee of ₹ 67 Cr.

**(ii) Terms of repayments**

- (a) Vehicle loan from Bank are repayable in equated monthly instalments. Rate of Interest of the vehicle loan is within the range of 8.75% p.a. to 10.50% p.a.  
 (b) Loan against Property are repayable in 7 years in monthly instalments as per the sanction letter. The rate of interest is 11% pa.  
 (c) Term loan from financial institutions - Tata Capital Financial Services Ltd. are repayable in 35 monthly instalments. The rate of Interest is 12% p.a.  
 (d) Term loan from financial institutions - HP Financial Services Pvt Ltd. are repayable in 24 monthly instalments. The rate of interest is 12.95% p.a.

Particulars	31st March 2022	31st March 2021
<b>Note 6 : Long Term Provisions</b>		
Provision for Gratuity	1,585	1,538
<b>Total</b>	<b>1,686</b>	<b>1,603</b>

Particulars	31st March 2022	31st March 2021
<b>Note 7 : Short Term Borrowings</b>		
<b>Secured</b>		
<b>From Banks:-</b>		
Cash Credit (Refer note (ii) below)	244,547	301,798
<b>Unsecured</b>		
Loan Others (Refer note (ii) below)	2,000	5,483
<b>Total</b>	<b>246,547</b>	<b>306,777</b>

**Note**

**Nature of Security**

- (i) Pari Passu first charge by way of hypothecation of company's present and future book debts, receivables etc., equitable mortgage of certain immovable properties of promoters and Personal guarantee of Mr. Prasad Lad, Mrs. Neeta Lad, Miss. Sany Lad and Mr. Shubham Lad

- (ii) Loan Others are interest free loans repayable at the flexibility & convenience of the borrower



Particulars	31st March 2022	31st March 2021
<b>Note 8 : Trade Payables</b>		
Total Outstanding dues to MSME	2,161	4,784
Total Other outstanding dues of creditors other than MSME	477,729	555,874
<b>Total</b>	<b>479,890</b>	<b>560,658</b>

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises.

Particulars	31st March 2022	31st March 2021
The principal amount and the interest due (interest remaining unpaid to any supplier as at the end of each		
- Principal amount due to Micro, Small And Medium Enterprises	2,161	4,784
- Interest due to Micro, Small And Medium Enterprises:	42	90
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act 2006.		
- The amount of interest accrued and remaining unpaid at the end of each accounting period	41	89
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of discharge as a deposit or expenditure under section 11 of the MSMED Act 2006.		

\* Dues to Micro, Small and Medium Enterprises including interest have been determined to the extent such parties have been identified on the basis of information collected by the Management and information collected in this regard. This has been reported upon by the auditor.

#### Trade Payables Aging

Category	F.Y. 2021-22	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		2,161	-	-	-	2,161
(ii) Others		478,989	55,455	794	2,479	477,729
(iii) Disputed dues - MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-
<b>Total</b>		<b>481,149</b>	<b>55,455</b>	<b>794</b>	<b>2,479</b>	<b>479,899</b>

Category	F.Y. 2020-21	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		4,784	-	-	-	4,784
(ii) Others		315,918	36,502	1,843	1,511	355,874
(iii) Disputed dues - MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-
<b>Total</b>		<b>320,702</b>	<b>36,502</b>	<b>1,843</b>	<b>1,511</b>	<b>360,658</b>

Particulars	31st March 2022	31st March 2021
<b>Note 9 : Other Current Liabilities</b>		
Current Maturities of long term debt		
From Bank	55,210	72,076
From Others	135,467	4,821
Other Payables		
Advance from customer	19,800	3,550
Deposits against EMD	3,973	-
Security Deposits	52,826	11,436
Statutory liabilities	409,291	285,438
Outstanding Liabilities	248,920	544,167
<b>Total</b>	<b>1,205,558</b>	<b>921,474</b>

Particulars	31st March 2022	31st March 2021
<b>Note - 10 Short-term provisions</b>		
Provision for Gratuity	42,054	30,459
Provision for Leave Encashment	80,670	67,853
<b>Total</b>	<b>112,724</b>	<b>98,312</b>



Particulars	31st March 2022	31st March 2021
<b>Note - 12 Non-Current Investments</b>		
Unquoted, at cost		
<u>Trade Investment</u>		
<u>Equity share</u>		
Subsidiaries Companies		
6,42,655 (6,42,655) shares of Krystal Gourmet Private Ltd of Rs. 10 each	15,706	15,706
10,000 (10,000) shares of Flame Facilities Private Limited of Rs. 10 each	100	100
Less: Impairment of Investment	-	-
<u>Other Investment</u>		
Co-Operative bank		
2,520 (2,520) shares of Sarawati Co-operative Bank of Rs 10 each	25	25
11,125 (8255) shares of Mumbai Dis Central Co-operative Bank of Rs 1000 each	11,125	8,255
<u>Other</u>		
Gold Jewellery	1,501	1,501
Krystal Aquachem (P.V.) - Investment	1,479	100
<b>Total</b>	<b>29,937</b>	<b>25,688</b>
Quoted Investment and market Value		
Unquoted investment	29,937	25,688
Provision for diminution in value of investment		

Particulars	31st March 2022	31st March 2021
<b>Note - 13 Deferred Tax assets</b>		
(i) On difference between book balance and tax balance of fixed assets	1,574	10,619
(ii) Disallowance u/s 43E of Income tax Act, 1961 (net)	1,583	17,111
<b>Total</b>	<b>17,357</b>	<b>27,724</b>

Particulars	31st March 2022	31st March 2021
<b>Note - 14 Long-term loans and advances</b>		
Unsecured, considered good		
Capital Advance	80,565	-
Advance Income tax & TDS. (Net of Provision for tax)	68,711	48,424
Security Deposits - R	93,147	13,450
<b>Total</b>	<b>241,922</b>	<b>61,864</b>

Particulars	31st March 2022	31st March 2021
<b>Note - 15 Inventories</b>		
Lower of Cost and Net Realizable Value		
Consumable items	58,412	11,241
<b>Total</b>	<b>58,412</b>	<b>11,241</b>



Particulars	31st March 2022	31st March 2021
<b>Note -16 Trade receivables</b>		
Outstanding for a period exceeding six months from the date they became due for payment		
Unsecured, considered good	259,007	269,110
Considered Doubtful	45,678	14,511
	<u>304,685</u>	<u>303,621</u>
Others		
Unsecured, considered good	2,224,766	1,841,560
	<u>2,224,766</u>	<u>1,841,560</u>
Less: Provision for Doubtful Receivables	(45,678)	(14,511)
<b>Total</b>	<b><u>2,483,773</u></b>	<b><u>2,116,696</u></b>

**Trade Receivable Aging**

(Amount in Rs. 000)

Category	Outstanding for following periods from due date of payment						Total
	Unbilled	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	
<b>F.Y. 2021-22</b>							
(i) Undisputed Trade Receivables - Considered Goods		1,421,052	59,083	39,647	95,462	54,805	1,680,039
(ii) Undisputed Trade Receivables - Considered Doubtful				3,172	17,950	25,457	46,579
(iii) Disputed Trade Receivables - Considered Goods							
(iv) Disputed Trade Receivables - Considered Doubtful							
Unbilled Revenue	800,734						800,734

Category	Outstanding for following periods from due date of payment						Total
	Unbilled	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	
<b>F.Y. 2020-21</b>							
(i) Undisputed Trade Receivables - Considered Goods		1,252,674	100,758	151,385	6,267	-	1,510,784
(ii) Undisputed Trade Receivables - Considered Doubtful			48	7,821	179	26,465	34,513
(iii) Disputed Trade Receivables - Considered Goods							
(iv) Disputed Trade Receivables - Considered Doubtful							
Unbilled Revenue	594,812						594,812

Particulars	31st March 2022	31st March 2021
<b>Note - 17 Cash and Bank balances</b>		
a) Cash and Cash Equivalents		
i) Balances with banks	171	1,039
ii) Cash on hand	1,009	1,019
iii) Balances with banks for liability against Govt Scheme	6,852	7,034
	<u>7,985</u>	<u>9,072</u>
b) Bank deposits with maturity more than 12 months		
i) Bank deposits with maturity less than 12 months	121,020	41,371
	<u>216,587</u>	<u>206,204</u>
<b>Total</b>	<b><u>337,607</u></b>	<b><u>259,574</u></b>

Bank deposits are held as margin money against bank guarantee, loan for EMD and term loan.

Particulars	31st March 2022	31st March 2021
<b>Note -18 Short-term loans and advances</b>		
Advances to Supplier	38,068	66,129
Advances to Employee	3,857	1,001
Security Deposits - II		32,441
Inter corporate loan To Subsidiary	17,557	8,076
Inter corporate loans		637
Krishi Apaschem (IV)		1,394
Advance income Tax & TDS (Net of Provision for tax)	60,677	33,657
Prepaid expenses	31,559	17,098
Other Receivables	14,788	13,257
<b>Total</b>	<b><u>165,906</u></b>	<b><u>175,022</u></b>



Particulars	31st March 2022	31st March 2021
<b>Note - 19 Revenue From Operation</b>		
<b>Sale of Services (Net of taxes)</b>		
Security Agency Services	374,541	314,059
Information technology enabled services	-	73
Manpower Services	1,856,388	1,189,520
Housekeeping Services	4,092,245	3,071,365
SITC Services	990,477	484,326
Other Services	753	1,843
<b>Total</b>	<b>6,324,420</b>	<b>5,061,184</b>

Particulars	31st March 2022	31st March 2021
<b>Note 20 Other Income</b>		
Interest from bank on fixed deposits	13,724	17,047
Interest on Loan and Advance	862	665
Profit on Sale of Assets	19	226
Balance Wine Bids	4,778	10,508
Miscellaneous income	91	12
<b>Total</b>	<b>19,473</b>	<b>28,744</b>

Particulars	31st March 2022	31st March 2021
<b>Note - 21 Cost of materials consumed</b>		
Inventories of raw material as at the beginning of the year	22,541	21,461
Add: Purchases of materials	1,019,138	484,264
	1,041,559	505,506
Less: Inventories of raw material as at the end of the year	(58,412)	(22,241)
<b>Total</b>	<b>983,147</b>	<b>483,265</b>

Particulars	31st March 2022	31st March 2021
<b>Note - 22 Employee benefit expenses</b>		
Salaries and wages	4,146,620	3,577,616
Contributions to provident and other funds	473,812	388,173
Staff welfare expenses	4,578	4,785
<b>Total</b>	<b>4,622,010</b>	<b>3,963,574</b>

Particulars	31st March 2022	31st March 2021
<b>Note - 23 Finance cost</b>		
Interest expenses	92,309	79,778
Forming Cost	15,088	12,233
<b>Total</b>	<b>107,397</b>	<b>92,017</b>



Particulars	31st March 2022	31st March 2021
<b>Note - 24 Other Expenses</b>		
Consumption of stores and spare parts	2,583	3,547
Office Expenses	2,753	1,334
Bank Charges	1,058	1,556
Facility Services	2,517	832
Power and fuel	86,825	25,254
Rent	25,331	25,100
Repairs and Maintenance	12,494	5,830
Insurance	5,151	15,301
Rates and taxes	7,052	2,085
Donation	75	227
Property Tax	-	239
Hire Charges	3,276	7,747
Travelling expenses (including foreign travelling)	6,070	6,056
Conveyance expenses	4,746	2,782
Communication Expenses	3,762	3,505
Postage and Courier	1,040	923
Balance Write off	2,650	25,407
Tender Expenses	2,421	787
Printing and stationery	1,930	1,015
Royalty fees	8,238	-
Legal and professional fees	43,316	28,461
Auditors Remuneration (Refer Note-27)	2,496	1,818
Corporate Social Responsibility Expenses	5,500	9,000
Provision for Doubtful debts	20,357	15,325
Advertisement Expenses	172	58
Loss on sale of assets	1	3,438
Business Promotion Expenses	12,502	1,024
Liquidation & Damages	128	-
Ineligible GST Expenses	26,310	13,858
Interest on Late Payment of GST	5,286	943
Interest on Late Payment of TDS	3,307	1,771
Interest & Damages on ESIC	2,239	2,251
Interest & Damages on PF	16	-
Miscellaneous Expenses	9,030	6,321
<b>Total</b>	<b>257,662</b>	<b>256,430</b>



Krystal Integrated Services Private Limited  
 Noted to financial statements for the year ended 31st March 2022

(Amount in Rs. '000)

Particulars	As at	
	31st March 2022	31st March 2021
<b>Note : 25 Contingent Liabilities</b>		
Provident Fund Dues	63,936	63,936
Income Tax Demand	39,787	39,787
<b>Total</b>	<b>103,723</b>	<b>103,723</b>

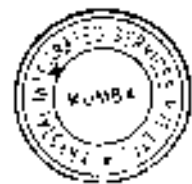
**Note : 26 Earning Per Share**

The company has adopted Accounting Standard-20 'Earning per Share' issued by The Institute of Chartered Accountant of India for calculation of EPS and the disclosure in this regard are given below

Particulars	As at	
	31st March 2022	31st March 2021
Profit after taxation as per Profit and Loss Account	(A)	272,864
Weighted average number of Equity Shares Outstanding	(B)	5,762,200
Basic/Diluted Earning Per Share (in Rupees)	(A)/(B)	47.36
Nominal value of equity share (in Rupees)		10.00

**Note : 27 Payment to Auditors:**

Particulars	[Amount in Rupees]	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
As Auditor		
* Statutory Audit Fees	1,500	1,350
* Tax Audit Fees	200	150
- For Taxation matters	696	100
- For Other matters	90	219
<b>Total</b>	<b>2,486</b>	<b>1,819</b>





Krysal Integrated Services Private Limited  
Notes to financial statements for the year ended 31st March 2022

Note : 23 Ratios:

Ratio	Numerator	Denominator	31st March 2022	31st March 2021	% Variance	% Materiality	Reason for Variance
Current ratio	Current Assets	Current Liabilities	1.50	1.24	-2.66%	<25%	
Debt Equity ratio	Total Debt	Shareholders Equity	0.31	0.40	-27.14%	<25%	
Debt service coverage ratio	EBITDA	Interest plus principal	2.00	3.35	-28.31%	>25%	New loans have increased the finance cost & Loan repayments during the year has increased from previous year
Return on equity ratio	PAT	Avg Shareholders Equity	0.17	0.17	7.18%	<25%	
Inventory turnover ratio	Sales	Avg Inventory	150.43	751.67	-32.37%	<25%	Company has taken up 'Thiruby Smart City Project' in which inventory holding period is longer when compared to that of previous year's Inventory holding period, leading to decrease in inventory turnover ratio.
Trade receivables turnover ratio	Sales	Avg Receivables	1.75	2.54	8.14%	<25%	
Trade payables turnover ratio	Purchases	Avg Payables	1.43	1.04	134.14%	>25%	Trade payable turnover ratio has become "low" while as compared to previous year which demand company is taking shorter period to pay off their creditors.
Net capital turnover ratio	Sales	Working Capital	6.16	5.54	11.14%	<25%	
Net profit ratio	Net Profit	Sales	0.04	0.04	-2.98%	<25%	
Return on net sales/employee	EBIT	Closing Capital Employed	0.16	0.14	16.05%	<25%	
Return on Investment	Income on Investment	Avg Investment				Nil	



**Krystal Integrated Services Private Limited**  
**Notes to financial statements for the year ended 31st March 2022**

**Note : 29 Related Party Disclosure**

**Disclosures as required by the Accounting Standard 18 (AS-18) on "Related Party Disclosures" are given below:-**

**Holding Company**

Krystal Family Holdings Private Limited

**Subsidiaries**

Flame Facilities Private Limited

Krystal Gourmet Private Limited

**Joint Ventures**

Krystal Aquachem JV

**Enterprises over which Key Management Personnel and their relatives exercise significant influences or control with whom transaction**

Krystal Aviation Services Private Limited

UR Deil Private limited

Volkara Techno Solutions Private Limited (Formerly : Krystal Techno Engineering services Private Limited)

Krystal Allied Services Private Limited

Navgunjara Finance Private Limited

Shouham Cinevis-ions Private Limited

Healthlog Services and Applications

Healthlog & Care Services LLP

Mumbai District Central Co-operative Bank Ltd.\*

**Key Management Personnel**

Mrs. Neeta Lad

Mr. Preeti Lad

Mr. Sanjay Dighe

Ms. Saily Lad

Mr. Shubham Luc

Ms. Shalini Aparwal

**Relative of Key Management Personnel**

Ms. Prasad Lad

Mr. Prasad Lad (IUF)

Mrs. Surekha Lad



\*As the company is having transactions in normal course of business, hence only the net transaction amount and closing balance is disclosed.

**Krystal Integrated Services Private Limited**  
**Notes to financial statements for the year ended 31st March 2022**

**Note : 29 Related Party Disclosure**

ii) Transactions and closing balance with the Related Parties are as under:

Sr. No	Particulars	Holding		Subsidiaries		Joint Ventures		Promoter, director of the Company having significant		Key Management Personnel			Relative of Key Management Personnel			Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
		(Amount in Rs. '000)															
1	Remuneration	-	-	-	-	-	-	-	-	39,759	41,178	44,403	43,771	84,162	84,949		
2	Service Rendered	-	-	-	-	63,605	17,266	19,439	629	-	-	-	-	83,044	12,895		
3	Expenses	1,125	857	1,943	598	-	-	116,728	62,546	1,333	1,333	-	-	120,530	65,334		
4	Rent Expenses	-	-	-	-	-	-	-	-	2,520	2,520	2,957	2,952	5,472	5,477		
5	Sale of fixed Assets	-	-	-	-	-	-	-	45	-	-	-	-	-	45		
6	Loans Taken / Received Back	46,095	5,000	47,475	39,621	-	-	33,839	4,402	7,230	4,500	21,000	22,843	155,639	76,366		
7	Loans Given / Repaid	46,095	5,000	56,179	41,725	-	-	78,510	24,834	7,230	4,500	21,000	22,843	709,014	98,902		
	<b>Balance outstanding at the end of year:</b>																
1	Remuneration	-	-	-	-	-	-	-	-	1,873	2,003	1,908	1,837	3,751	3,839		
2	Trade Payable	806	393	139	539	-	-	21,255	18,336	527	336	227	265	22,953	19,809		
3	Trade Receivable	-	-	-	-	26,020	6,050	4,180	785	-	-	-	-	30,159	6,335		
4	Liability for Capital assets	-	-	-	-	-	-	-	-	10,554	10,554	13,232	33,808	33,786	44,362		
5	Loans Given	-	-	17,577	8,078	-	-	-	-	-	-	-	-	17,577	8,078		
6	Loan Taken	-	-	-	-	-	-	222,344	409,581	-	-	-	-	222,344	409,581		
7	Investments	-	-	-	-	1,479	100	11,125	8,265	-	-	-	-	12,604	8,365		



**Krystal Integrated Services Private Limited**  
**Notes to Financial statements for the year ended 31st March 2020**

**Note : 30 Retirement Benefits:**

Disclosure as required by Accounting Standard (AS) - 15 (Revised 2005) 'Employee Benefits' notified by the Companies (Accounting Standards) Rules, 2006 are given below.

**(A) Defined Benefit Plans**

**a) Gratuity**

Gratuity is payable to employees who has rendered continuous services for more than 5 years at the rate of 15 days of service for each completed year of service or part thereof in excess of 6 months.

Variations in respect of Gratuity have been carried out by an independent actuary as at the Balance Sheet date, based on the following assumptions:

a) The amounts recognised in Statement of Profit & Loss/Intangible Assets Under Development are as follows:

(i) Defined Benefit Plan	(Amount in Rs. 000)	
	Gratuity	Gratuity
	Year Ended March 31, 2022	Year Ended March 31, 2021
Current service cost	19,289	14,896
Interest cost on benefit obligation	2,384	2,246
Expected return on plan assets	(1,181)	(1,488)
Net actuarial gain/(loss) recognised during the year	(14,678)	(7,444)
Past Service Cost	-	-
Expenses recognised in the Statement of P&L	4,814	15,209

b) The amounts recognised in the Balance Sheet are as follows:

	Gratuity	Gratuity
	Year Ended March 31, 2022	Year Ended March 31, 2021
	Present value of obligation	51,467
Less: Fair value of plan assets	(17,750)	(17,001)
Unrecognised Past Service Cost	-	-
Net Asset(Liability) recognised in Balance Sheet	33,717	32,056

c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

	Gratuity	Gratuity
	As at 31st March, 2022	As at 31st March, 2021
	Opening defined benefit obligation	49,057
Interest cost	2,084	2,206
Current service cost	19,289	14,896
Benefits paid	(3,488)	(8,237)
Past Service Cost	-	-
Liabilities assumed on Acquisition/Settlement of investment	-	-
Actuarial gain/(loss) on obligation	(15,475)	(2,997)
Closing defined benefit obligation	51,467	49,057

d) Changes in the fair value of plan assets are as follows:

	Gratuity	Gratuity
	As at 31st March, 2022	As at 31st March, 2021
	Opening fair value of plan assets	17,301
Expected return	1,181	1,488
Fund management expenses	-	-
Contributions made by employer during the year	3,852	211
Benefits paid	(2,498)	(1,977)
Actuarial Gain/(Loss) on plan assets	(797)	(543)
Assets Acquired on Acquisition / (Distributed on divestiture)	-	-
Closing fair value of plan assets	17,750	17,001



Particulars	Gratuity	Gratuity
	As at 31st March, 2022	As at 31st March, 2021
(c) Expected contribution		

f. The ma/or categories

Particulars	Gratuity	Gratuity
	As at 31st March, 2022	As at 31st March, 2021
Investments with insurer under		
(a) Funds Managed by Insurer	100%	100%

g. The principle actuarial assumptions at the Balance Sheet date.

	Gratuity	Gratuity
	As at 31st March, 2022	As at 31st March, 2021
Discount rate	5.15%	4.25%
Expected rate of return on plan assets	5.15%	5.20%
Mortality Rate	Published rates under the Indian Assured Lives Mortality (2005-08)	Published rates under the Indian Assured Lives Mortality (2006-08)
Proportion of employees opting for early retirement	5.00%	5.00%
Retirement Age	60 Yrs	60 Yrs
Salary Escalation Rate	5.50%	6.50%

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Previous year number could not given in absence of information.



**Krystal Integrated Services Private Limited**  
**Notes to financial statements for the year ended 31st March 2022**

**Note - 31-Segment Reporting**

The primary segment reporting format is determined to be business segments as the company's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

**A) Primary Segment Reporting (by Business Segments)**

(Amount in Rs. '000)

Particulars	Manpower Service	Smart city	Year ended 31st March 2022	Year Ended 31st March 2021
<b>Income</b>				
Revenue from operations	5,333,944	950,477	6,324,420	5,061,184
Other income	18,772	552	19,423	28,744
<b>Total Revenue</b>	<b>5,352,716</b>	<b>991,128</b>	<b>6,343,844</b>	<b>5,089,928</b>
<b>Expenses</b>				
Material consumed	158,906	824,241	983,147	483,265
Employee benefit expenses	4,617,854	4,156	4,622,010	3,265,574
Finance costs	97,781	14,816	107,597	92,017
Depreciation and amortization expenses	26,072	69	76,241	31,679
Other expenses	194,153	63,009	257,662	236,130
<b>Total Expenses</b>	<b>5,089,767</b>	<b>906,791</b>	<b>5,996,557</b>	<b>4,808,665</b>
<b>Profit before tax</b>	<b>262,949</b>	<b>84,337</b>	<b>347,286</b>	<b>281,263</b>

**Other Information**

Total Carrying amount of asset	3,110,522	925,600
Total Carrying amount of liability	3,110,522	925,600

**B) Secondary Segment Reporting (by Geographical Segment)**

The Company's operations are mainly confined within India, as such there are no reportable geographical segments.



**Krystal Integrated Services Private Limited**  
**Notes to financial statements for the year ended 31st March 2022**

**Note : 32 Subsequent Event:**

Disclosure as required by Accounting Standard (AS) - 4 "Contingencies and Events Occurring After the Balance Sheet Date" notified by the Companies (Accounting Standards) Rules, 2006 are given below:

**Non Adjusting Event:**

The company has concluded that during the year 2021-22, the impact of COVID 19 was immaterial due to the nature of business of the company. The company will still continue to monitor developments to identify significant uncertainties related to revenue in future periods.

The Company had passed the Board Resolution for approving the scheme of demerger dated March 30, 2021. Subsequent to the balance sheet date, final Order dated June 20, 2022 was issued by the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai in respect of Scheme of Arrangement between Krystal Integrated Services Private Limited ("Demerged Company"), Volksara Techno Solutions Private Limited ("Resulting Company") and their respective Shareholders. The Smart City Business (as defined in the Scheme) of the Demerged Company has been demerged from Krystal Integrated Services Private Limited and the same has been vested and transferred in Volksara Techno Solutions Private Limited. Accordingly the management has filed Form No INC-28 under Section 232 of Companies Act, 2013 with the Registrar of Companies dated 19th July 2022 and from this date all the transactions pertaining to Smart City Business will be addressed to Volksara Techno Solutions Private Limited.

Further, As per the order issued by NCLT, the entity is in the process of reinstating its books of accounts basis the appointed date in the order i.e. 1st April 2020.



**Krystal Integrated Services Private Limited**  
**Notes to Financial statements for the year ended 31st March 2022**

Particulars	As at 31-Mar-22	As at 31-Mar-21
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**Note : 33** Balances of Trade Receivables, Trade Payables, Advances etc. have been taken as per books of accounts and are subject to reconciliation/confirmation. Consequential adjustment thereon, if any, is not expected to be material and will be given effect into the books or accounts in the year of such adjustment.

**Note : 34** In the opinion of the management, the Current Assets, Loans and Advances and Current Liabilities are approximately of the value stated, if realised / paid in the ordinary course of business. The provision for all known liabilities is adequate and is not in excess of amounts considered reasonably necessary.

**Note : 35** Company is required to spend money on Corporate Social Responsibility (CSR) activity as per CSR Rules under the Companies Act 2013. During the year Company was required to or spend a sum of Rs.80.83 lakhs against which company has already spent a sum of Rs.65.00 lakhs.

**Note : 36 Impact of Social Security**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The Company is in the process of carrying out the evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

**Note : 37** Previous year figures have been regrouped and re-arranged wherever necessary to make them comparable to those for current year.

**Note : 38 Other Statutory Information:**

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii) The Company does not have any transactions with companies struck off.

iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party), with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

viii) The Company has not been declared as Willful defaulter by any Banks, Financial institution or Other lenders.

**Note : 39 Approval of Financial Statement**

The financial statements are approved for issue by the Company's Board of Directors on 27th September 2022

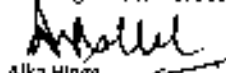
**Note-40** The Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousand, unless otherwise indicated.

As per Our Attached Report of Even Date

**T R Chedha & Co LLP**

Chartered Accountants

Firm Registration No. 006711K/NS00028



Alka Hinga

Partner

Membership No. 104574

Place : Mumbai

Date : 27/09/2022



For and on Behalf of Board of Director of  
**Krystal Integrated Services Private Limited**



Neeta Lad  
 Director  
 (DIN-01122234)  
 Place : Mumbai  
 Date : 27/09/2022



Ranjay Dighe  
 Director  
 (DIN-02047605)

  
 Shalini Agrawal  
 Company Secretary  
 Mem No. 52374

